App. F. IX-[redacted] P210E L

Previous References

1934-5
(87.)

File No. 435-34
Serial Nos. 1 4 3

PRESERVED

Letter References

[redacted] 67-35 (143)
[redacted] 40 (23884)
[redacted] 40 (118+123)
[redacted] 12-43 (86. 92. 105. 136)

[redacted] NERAL AND REVENUE SECRETARIAT.

Three

Part B for November 1938.

SUBJECT.

of Cement bags

[redacted] Rs 4505-10-0 from the [redacted] Stores of Irwin Canal Division Mandya.

WD 0296—GPB—22,500—15-8-37

[redacted] 38

General and Revenue Secretariat — File No. G.T. 435 H of 1934 — [App. F III]

Serial No.

2 Letter no. 369/K.R.S. dt 13.10.1934 from the Comptr: forwarding a copy of the report of detailed audit of accounts of Cement transactions for submitted by the K.R.S. Comptr: & stating that the disciplinary action taken against Mr: Sangiengar with the approval in annexure & that the Accountant has been placed under suspension.

Submit for orders with reference to para 4 of the note. The opinion of the Chief Engineer K.R.S. works to whom a copy of the report is stated to have been sent may perhaps be called for.

20.10. — 2 H Secy) 22/10/34

3 The Comptroller states that a copy of the report has been sent to the Chief Engineer, K R S works, for information and necessary action. I shall be glad to know the action taken and the replies of the department to the points mentioned in the Report.

Secretary
K.R.S section
(with compliments)

21/11
22.11.35.

H

The special audit report has been dealt with in the Department in file No. D 1214/1935 Dated 29th January 1935 which is now with the Financial Secretary to Govt.

Financial Secy) 5/2/35
with compliments

W.O. H.162 — 23/1/35

No. W.O. 16 — K.R.S.

Returned to the K.R.S. Secretariat
NOTE—Contra Sheet
with remarks on
14-2-35

4.2.35

20-2-35

4.2.35

5

22/10/35

WD 01956—GPB—22,500—12-6-34

File No. 435 1704 of 1935 | General and Revenue Secretariat.

No 402/E 7 17-9-35 from the Comptroller forwarding the file of papers connected with the Judgment, explanatory etc on behalf of the Crown against Mr. Sriramulu, Accountant, stating that as he found nothing culpable against the Accountant he has ordered the usual reinstatement & requesting sanction for making the extra Contl. of Rs. 334 on a/c of full salary payable to Sriramulu during the period of Suspension — 12.10.34 to 16.9.35.

1. The relevant portions in the Judgment bearing on the second Accountant Mr. Sriramulu are found on Pages 15 & 19 thereof. The acquittal is unqualified & the Comptr has satisfied himself that there is nothing calling for further action against him.

2. Subd. with a draft sanctioning the Comptr's recommendation, which relates to a matter of the Pub. Dept ecclesiastical.

23/9/35

3. For orders.

H Seay) 24/9/35.

I am not satisfied that the Head Accountant can be completely exonerated. I would like to have the opinion of the Permanent Counsel.

W.O. file 30/9/35

To Comptr with Complaint file.

294/9

E&C

26/9/35.

Comptroller's Office | File No. of 193

Serial No.

CONFIDENTIAL.

U.O. No. ೧೮೮೧ Est dated 14th April 1936.

Returned with compliments.

2. I forward, herewith, for the information of Government the following further records on the subject:-

(i) Copy of U.O.file No.13 dated 3rd October 35 from the Chief Engineer, Krishnaraja Sagara forwarding extracts of paragraphs 20-28 of the Report of the Deputy Chief Engineer on the misappropriation of cement.

(ii) Copy of my reply to the above.

(iii) ~~Copy of~~ Letter No.C.2-275 dated 11-11-35 from the Inspector General of Police re. certain observations made in the judgment of the case.

(iv) Mr. Singraiengar's explanations dated 5-12-35, 6-1-36 and 6-2-36.

(v) Copy of judgment dated 13-1-35 (36) by the Additional Assistant Sessions Judge, Mysore.

(vi) Mr. V.T. Srinivasan's D.O. dated 3-10-35 re. the efficiency and conduct and character of Mr. M. Singraiengar.

3. I have carefully gone through all the connected records. All things considered, I am of the view that the Accountant Mr. Singraiengar could have been more vigilant seeing that Mandya is relatively a small place and the transactions in question were confined in an area round and about the Railway Station itself. Some disciplinary Departmental action is necessary, in my opinion, and

Note--Contn. Sheet.

File No. 1750 of 193 | Comptroller's Office

Serial No. A

I, therefore, propose that he shall forfeit his chances of promotion to the Superintendents grade for a period of two years from the date of his suspension. This punishment is, in my opinion, sufficient.

FINANCIAL SECRETARY
17 APR. 1936
No.

4. Of the other officials of my Department involved in this case, Messrs. C. Srinivasa Murthy, and C.B. Gundu Rao could have been more alert in their duties and they may be let off with a severe warning. B.G. Rajiengar the other official concerned in the case should have exercised greater care in the discharge of his duties and he may be reduced by one increment viz Rs 3/- for a period of one year.

14.4.36

Comptroller

IV- Reference Para 9 of note above.

Powers for Sanction of orders are

(1) Last para of P.R.D ie. Sanctioning the extra Cost of Rs. 334 incurred during the period of Suspension, under Art. 117 C.N.S.R.

2. 'A' of Para 12 above

3. Para 13 above.

H Seey) 20/4/36.

15 What exactly does 'B' above in combination mean. He was under Suspension from 12-10-34 to 16-9-35. From what date with the period of

COM.50.N.1,000.28-3-34

Serial No.

U.O. H264
24.4.36

two years Commence.? During this Period has he any definite Chances of promotion?

To Comptr
22/4

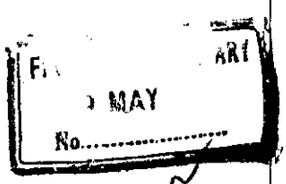
23/4/36.

2821/ES

U.O.No. 1441 ES dated 6-5-36

16 Returned with compliments.

17 2. The proposal is to deprive Mr.Singraiengar of his chances to act as a Superintendent during a period of two years from 12th October 1934, the date of his suspension to 11th October 1936. If he had not been placed under suspension, he would have had chances to act as a 2nd Grade Superintendent off and on for an aggregate period of one year during the period 12th October 1934 to end of 31st January 1936. According to his seniority, he would also have got a continuous place as acting 2nd Grade Superintendent with effect from 26th February 1936. Mr. Singra Iyengar will accordingly lose all the chances to Superintendent's grade he had from 12th October 1934 and the chances he may have in future upto end of 11th October 1936.



Comptroller

NOTE.—Contn. Sheet.

pto.

Refer. Para 15 of note above.
The exact implication of the Complaint note is this:-

The accused present pay is Rs. 60 + 5 (Local Allowance) (He was drawing Rs. 120/= the minimum pay of the Grade, for some time before the date of suspension - 12-10-34; having become one before that date by dint of seniority. He would have been drawing Rs. 120/= continuously for one year up to 31-1-1936, broken period included, but for the proposed punishment. The actual money loss is Rs. ~~200~~ 180 + 134 or Rs. ~~334~~ 314 approximately up to 11-10-36 when the ban is proposed to be lifted. Besides this there will be a postponement loss of Rs. 72 year by year in future, as he will be started again on the minimum pay of Rs. 120 from 11-10-36. Points for orders are summarised in Para 14 of note above.

Submitted for orders.

FL Secy) 11.5.36.

RK-W
RC/5-

One of the causes which rendered the misappropriation possible in this case could not be said to be want of proper supervision on the part of the executive Engrs. cannot but be said

There is no doubt that in the present case the misappropriation was rendered possible by negligence of duties on the part of the Executive Engineers and his subordinate staff. The case discloses several unsatisfactory features and the following are some of them for which the Executive Engineers themselves are primarily responsible:--

(1)Large quantities of cement were used in place of surki mortor provided for in the estimates, and from the papers in the file it is seen that there is no specific sanction of the Chief Engineer to this in writing.

(2)Indents for the purchase of cement (for even large quantities) were being passed by the head of the office(Executive Engineer) as a matter of course, without verifying the correctness of the balance on hand, as noted on the indents, and without reference to the immediate requirements of the works.

(3)The half yearly counting of stock, which is one of the most important functions of the Executive Engineer, was not done properly.

(4)When Mr.Subba Rao, Executive Engineer, was relieved by his successor Mr.Narasimhiengar, the stock in the stores was not counted, though the rules require a detailed check of the stock.

These important omissions mainly account for the present fraud. The very first rule of the Mysore Civil Account code lays down that every officer should realise that the correct maintenance of his accounts is as important a part of his duties as his executive work and that no officer should be allowed to plead as an excuse for a financial or accounts irregularity that he has been duped by his clerk or accountant, as it is for the officer to see that the clerk or the accountant is doing his work properly.

The heads of offices cannot therefore entirely rely on their subordinates, parti-

cularly in important matters such as the periodical verification of cash or stock.

One of the canons of financial propriety is that every officer should exercise the same vigilance in respect of expenditure incurred from Government revenues, as a person of ordinary prudence would exercise in respect of the expenditure of his own money. The very large purchases of cement allowed by the Executive Engineers without reference to the requirements indicate that this canon was ~~breached~~ not observed and they did not take proper precautions to safeguard the interests of Government.

The important omissions for which the Accounts staff of the Executive Engineer's office are ~~held~~ stated to be responsible are:--

(i)The bills were not checked with the office copies of indents

(ii)Audit with strict reference to detailed estimates was not conducted and deviations from estimates(such as use of cement for surki mortor) was not specifically brought to the notice of the Executive Engineer in writing and sanction of the Chief Engineer is insisted on.

Regarding (i)the Accounts staff seem to have relied on the certificate of the Store keeper in the Measurement book.

With regard to (ii) it is to be stated that the Executive Engineer is not unaware of this ~~offence~~ deviation and ~~he~~ ~~cannot~~ merely on the ground that the sanction of the Chief Engineer in writing has not been insisted on by the Divisional accountant, the Executive Engineer cannot be relieved of his responsibility for ~~the proper execution~~ obtaining the sanction of the competent authority for the deviation.

Mr.Saroboja,Deputy Chief Engineer observes that the Test audit staff also did not detect the fraud. The Test Audit staff arrange for a detailed examination of the accounts of only one month and there were no frauds in that month. Regarding the accounts of other months, only a general examination is conducted and it was therefore not possible for the test audit staff to detect the fraud. The fraud in this case was rendered possible by getting cement on fraudulent indents and by removing the cement purchased out of Government cost for private use and sale. These could be detected only by a comparison of the bills with office copies of indents and by comparison of the stock on hand as shown in the books with that actually found in the stores. As already pointed out by me, even the Account staff working in the Executive Engineer's office have relied on the certificate of the Store Keeper in the Measurement book that the stock have been received, and the stock received have been taken to the stock register. As regards periodical verification of stock, it is the duty of the Executive Engineer to arrange for this, and audit or accounts staff cannot be held responsible for it.

From the above it will be clear that the Executive Engineers are primarily responsible for the fraud in this case, though the accounts staff working under him could have detected it, if they had been more vigilant in their duties. The Comptroller may be consulted as regards the responsibility of the accounts staff in this matter.

e Accounts staff though longing to the Comptroller's tablishment are orking the Executive Engineer's fice and under him the ecutive Engineer and the atter is responsible to see that they work properly (Vide Article 667 I P W A C).

The case points out to the need for requiring orders to firms for supply of stores being sent in a printed form (to be prescribed) as in the case of the Electrical department, providing for separate columns for the date of receipt of sotck, date of entry in the stock account and date of payment (with reference to the passed bill no. and date) and initials of the Accountant and Executive Engineer. Mr. Saroboja has made the following suggestions:--

(1) Separation of the Test audit establishment from the Accounts establishment attached to divisions, the latter being under the administrative control of the Chief Engineer.

(2) Giving the Executive Engineer the assistance of an Engineering graduate for work connected with the technique of the department and for being in charge of the stores.

I do not think that the first suggestion will be a proper remedy. The test audit staff sent by the Comptroller's office periodically and the Accounts ataff working in the Executive Engineer's office have different functions to perform, and if they do not exercise their functions properly, the proper remedy is to suitable disciplinary action has to be taken against them and not to transfer the control from one department to another. Even if the divisional accounts staff are brought under the administrative control of the P W D, there is nothing to prevent both the test audit staff and the accounts staff colluding together. The proper remedy is to transfer the divisional accounts staff periodically so that they may not be in one place for a long time, and also

and also to change the test audit staff periodically. I believe this is being ~~arranged~~ arranged for by the Comptroller. Idonot agree to the Divisional audit staff being removed from the Administrative Control of the Comptr as this would be likely to increase the number of irregularities instead of reducing them

Regarding the second suggestion, it is to be stated that the fraud in the present case was rendered possible by the lack of proper supervision on the part of the head of the office, ~~and to~~ having relied on the store keeper even in important matters; and the ~~nnnnnnnnnnnn~~ posting of an engineering graduate for the charge of the stores will not by itself improve the position.

The total value of cement bags ~~amount~~ paid by Government and ~~nnnnnnn~~ fraudulently removed by the store keeper is Rs 4,512-6-0, and this amount has I think, to be ~~made good by the Executive Engineers concerned.~~

This should be recovered from his pay. That is not possible for the present as he is under suspension from the service.

With regard to value of cement got on fraudulent indents but not paid by ~~the~~ Government (about Rs 8009-4-0), it is not known how far Government can be held liable for the payment of this amount to the firm concerned. The ~~Legal~~ Law section may be consulted in the matter.

It is stated that there is also a claim for Rs 3250-0-3 from a firm for zinc sheets alleged to have been supplied to the Executive ~~Executive~~ Engineer. There may be similar other fraudulent transactions. These have to be examined.

1-4-35 (W) (H Seey) 1.4.35.

K. M. will bring up in person 1/4.

17/4

With regard to the disciplinary action proposed to be taken against the officials of the Account department, I wish to bring to notice the following points:--

The main irregularities in this case are that large quantities of cement were received against bogus indents and that they were allowed to be clandestinely removed from the Stores(Vide para 11 of the Notes in the file). The quantities paid for have been brought to the Stores Accounts by the Stores Keeper, and the Bills are stated to have been passed by the Accounts staff on certificates taken to the stock accounts furnished by the Store Keeper and signed by the Executive Engineer, ~~before the bills are passed by the Accounts staff~~. The omission to periodical count the actual balance in the stores with the balance shown in the accounts, as per rules thus mainly accounts for the fraud, and the Executive officers are primarily responsible for it. ~~BBBBBBBBBBBBBBBBBBBBBBBBBBB~~ In this note,

The main irregularities against the Accounts staff are stated to be as follows:--

Divisonal Accountant Mr.Singriengar

(1)He passed the cement indents without satisfying himself whether the balance on hand mentioned by the Store keeper tallied at least with the book balances in the A form register

(2)He dis not comgare bills with office copies of indents

(3)~~He did not see that the A Form register is posted up to date~~

(4)Several insured and registered letters addressed to the Executive Engineer were received by the Store keeper and the Accountant did not question thes action of the Store keeper though the Accountant is the only authorised person to receive such letters.

(4)There was delay in the posting of Stock accounts, and he did not check the A form register for some periods.

~~BBBBBBB~~

Accounts clerks S Srinivasa Murthy ~~and~~ Rajiengar and Gundu Rao

(5)They passed the bills for payment

without comparing them with the purchase order or office copy of the indent.

(2)(a) There was lack of sufficient check by Mr.C.Srinivasamurthy over the accounts maintained by the Stores Keeper

(b) Mr.Rajiengar who was responsible for the verification of indents, audit of bills compilation of ~~monthly~~ accounts of stock etc has also been grossly careless in his duties.

Reference is invited to the explanations of these officers found in the file and remarks thereon and his also to the Comptroller's proposals regarding the disciplinary action to be taken against them. So far as the Accounts staff are concerned, the main points urged against them are that(1) they did not verify the correctess of the certificates furnished by the Store keeper and signed by the Executive Engineer and (2)they did not examine the bills with reference to the office copies of indents. Regarding (1) it is to be stated that in respect of receipt, custody and disposal of stores, the Storekeeper is primarily responsible under the immediate supervision of the Executive Engineer and the Accounts staff have to rely on certificates furnished by the Executive officers. Regarding(2), it is true that if these bills had been examined with reference to the office copies of indents, the frauds would have been brought to notice. But as explained by the Accounts staff and the Comptroller, the rules does not require such an examination. The main points to be looked into by the Accounts staff in the examination of bills for stores received are (1)that the Stores have been certified to have been received

and brought to stock by the Storekeeper and (11) the purchase has been made from the approved firm and the rates are those accepted by the Stores purchase Committee. These points have been examined by the Accounts staff. ~~Indents for stores were being sent by means of letters or memos and there was no prescribed form for the purpose, and the office copies of indents were therefore not therefore filed collectively, to admit of examination with the bills.~~ There was therefore no specific deviation from the rules on the part of the Accounts staff leading to the frauds in question, though as stated ~~by~~ in para 15 of the notes the Accounts staff in the divisional office could have detected it, if they had been more vigilant in their duties. That there was some delay in the writing up of the work registers stock accounts and there were minor omissions etc in individual cases are of common occurrence in every division. I therefore feel that the punishment ordered by the Dewan or even that suggested by the P W Secretary is very severe, taking into account their responsibility,

In the linked file, the Comptroller after examining the question has suggested as follows:--

(1) Mr. Singriengar, Accountant on Rs 100 who is eligible for promotion to the Superintendent's grade (120-6-150) shall forfeit his chances of promotion to the ~~Superintendent's~~ above grade for a period of two years from the date of his suspension (till 11th October 1936).

(2) Messrs Srinivasa Murthy and C.B. Gundu Rao, Accounts clerks who could have been more alert in their duties may be let off with a severe warning,

(3) Mr. B.G. Rajinegar, Accounts clerk, may be reduced by one increment, viz., Rs 3, for a period of one year.

In view of the fact that, there was no specific violation of rules by the Accoun staff connected with the frauds, I think that the punishment suggested by the Comptroller may be regarded as adequate. If however it is considered that it is not adequate, I would suggest as follows:--

(1) Mr. Singriengar, who Divisional Accountar who is 42 years of old and who has put in 23 years' service, and whose work has so far been considered very good by successive Executive Engineers, may be debarred from promotion His promotion He is now getting Rs 100 plus Rs 5 and his promotion to the Superintendent's grade, 120-6-150, which is due to him in the ordinary course may be stopped for five years, instead of 2 years from 12th October 1934 (date of suspension, as suggested by the Comptroller.

(2) Of the three Accounts clerks, Mr. Gundu Rao, who was in charge of the Compilation of accounts, was entrusted with the work of passing bills during the absence of the concerned Accounts clerk, passed only one bill which contained the prescribed stock certificate. The warning severe warning administered to him appears to be adequate.

(Age 35, Service 17 years Pay Rs 65 maximum pay of Accounts clerk)

(3) Of the other two Accounts clerks, Messrs Srinivasa Murthy, and Rajiengar, who were in charge of passing bills for stores, the former is a permanent Accts clerk and temporary accountant on Rs 80 in the grade 65-5-100. , from 23-11-35. His next increment may be postponed by one year.

Age 38, 18 years service

(4) Mr. Rajinegnar, who is aged 39, and has put in 14 years service, is a temporary Accounts clerk on Rs 39, and the Comptroller has suggested that his pay may be reduced by Rs 3 for one year. His suggestion may be accepted.

The P W Secretary has also made the following suggestions:--

(1) Orders to firms for supply of stores to be in printed forms

(2) Bringing the Accounts clerks attached to the divisions under the Administrative control of the Executive Engineers

(3) Sanction of an Engineering Assistant to assist the Executive Engineer to assist him in all matters connected with the technique of the department including stores.

The first suggestion may be accepted and the Comptroller asked to prescribe a suitable form in consultation with the Chief Engineer.

Regarding (2) much can be said both for and against the proposal; and the question is also under separate consideration in a separate file. An arrangement which has been working for a long time past cannot be changed, without considering in details both the advantages and disadvantages from it. This may therefore be reserved for separate consideration.

The third suggestion, by itself, will not prevent the frauds of the kind reported in the file, which were due to negligence of duty on the part of the higher executive officers, and also involves heavy extra recurring expenditure, which cannot be thought of in the present financial condition of the State. This may also be noted for separate consideration, after the finances of the State improve. The Executive Engineers have got on so far without a Technical Assistant, and managed with the existing staff and the need for the assistance of the kind is doubtful and in any case not urgent.

(2)

In para 61(3) of the Note, it has been suggested that Rs 1,364-2-6 recovered from the Store keeper and the Firms, and further recoeries if any effected from the Store keeper may be adjusted towards the amounts ordered to be recovered from the two Executive Engineers. This adjustment may be deferred till the decision of the Civil

C

Regarding the scope of Test audit it is to be stated by the Comptroller's staff, within the short period of their stay in the Divisional office it is not possible to effect a detail check or audit of the all the accounts maintained, for the entire period covered by audit. As stated by my previous note, a test audit of one month's accounts is made and with regard to the remaining period a general examination of the accounts is only possible. The examination "elaborately" referred to in the P W Secretary's note can only mean examination in detail of the processes of posting and compilation and of the reconciliation of the total figures between the several accounts or returns, and cannot be taken to mean that each entry in each register should be examined with the relevant documents. The Comptroller may however be asked to examine the present rules with reference to the rules followed in British Indian offices, and suggest suitable changes wherever necessary.

C office papers to be returned

19-8-38

Returned on 24-11-38

18-7-38

20/7.

The file is being dealt with separately in K & S Sectt.

May be recorded

19-8-38

24-11-38

19-8-38

24-11-38

The following documents were admitted in Evidence for the defence :-

Ext:D(1) Endorsemtn made by Krisnna Rao on the back of P(6) Re-delivery of articles. P.E.1 16-7-35.

D(2) Endorsement on the back of Ext.P(9) alleged to have been made by Gundu Rao on 20-3-34 (date altered). P.W.1 -do-

D(3) Name R. Krishna Rao - written on page 100 of p.44. P.W.5 17-7-35.

D(4) -do- on page 300 -do- -do-

D(5) Portion in the deposition of P.W.6 S.M. Sakalchand as P.W.2 in the Committing Magistrate's Court. P.W.6 18-7-35.

D(6) -do- -do- -do- -do-

D(7) Portion in the deposition of P.W.10 Syed Ameer as P.W.7 in the Committing Magistrate's Court (D/16-11-34). P.W.10 18-7-35

D(8) Endorsement on the back of Ext.P(116) in the handwriting of the first accused. P.W.21 20-7-35.

D(9) From- Register maintained in the Office of the Execut Engineer, Irwin Canal Division, Mandya. P.W.22 23-

(a) Entry No. in Ext.D(9) relating to a communication received from Messrs. B.V.N & Co., Bangalore. -do- -do-

D(10) Signature of the first accused R. Krisnna Rao on the back of Ex..P(142) without date P.W.23 23-7-35

D(11) Draft Memo dated 11-9-34 initialled by Mr. M.C. Sampat Iyengar P.W.24 for Executive Engineer. P.W.24 24-7-

D(12) The portion wri ten by H.S. Sreenivasa Rao and scored out in Ext.P(71). P.W.27 24-7-35.

D(13) The portion "The counting book about 2 or 3 days" in the deposition of P.W.28 Mr. S.N. Sarma before the Committing Magistrate as C.W.1 P.W.28 24-7-35

D(14) Portion in the deposition of P.W.28 as C.W.1 in the Committing Magistrate's Court. -do- -do-

D(15) Address Portion i.e., B.V. Narayanaswamy & Co., in Ext.P(162) in the hand-wiring of the first accused. P.W.29 25-7-35

D(16) Postal acknowledgment receipt dated 21-12-33 signed by first accused. P.W.31 25-7-35.

D(17) Memo dated 5-5-34 submitted by M. Singri Iyengar to the Executive Engineer for permission to work at home P.W.33 27-7-35.

D(18) Letter dated 14-2-34 for the Executive Engineer to Messrs B.V.N. & Co., for supply of o e wagon load of cement. P.W.33 27-7-35.

a Portion in pencil in the handwriting of the first accused R. Krishna Rao. -do- -do-

b Portion in red ink - containing the words yes, and Ms. with date 16-2-34 -do- -do-

D(19) Review dated 4-7-34 for the month of June 1934 put up by the second accused. P.W.33 27-7-35.

a The word "certainly" in pencil alleged to have been written by Mr. C.T. Narasimhaiengar. -do- -do-

D(20) Leave application dated 30-4-33 by second accused M. Singri Iyengar to the Executive Engineer for extension of three days' leave.

D(20) Endorsement made by the Executive Engineer referred the letter P(225) to C and S.K. - viz., Cashier and store-keeper. P.W.34 30-7-35.

D(21) Leave application dated 30-4-33 by second accused M.Singri-Iyengar to the Executive Engineer for extension of 3 days' leave. by P.W.34 30-7-35.

D(22) Letter dated 26-5-33 sent with leave application by the second accused sent on 26-5-33. -do- -do-

D(23) Leave application dated 26-5-33 by second accused M.Singriengar to the Executive Engineer. -do- -do-

D(24) -do- dated 4-6-33 -do- -do-

D(25) Office copy of a letter No.818 dated 25-3-1934 addressed to the Chief Engineer from the Executive Engineer Irwil Canal Division P.W.37 7-8-35.

D(26) Entry in P(271) for January 1934 made by P.W.36 - regarding intimation of payment of the bill from the Comptroller. P.W.36 6-8-35

D(27) The words received on 6-6-34 with initials of P.W.36 with date 13-10-34 in page 26 of Ext.P(270). -do- -do-

D(28) The words "Received on 9-5-34" with initials of P.W.36 with date 13-10-34 in the Entry P(270)c P.W.37 6-8-35.

D(29) Leave application submitted by the second accused M.Singriengar on 25-3-34. P.W.41 10-8-35.

D(30) -do- dated 21-3-34 -do- -do-

D(31) -do- dated 13-3-34 -do- -do-

D(32) Office copy of letter No.974 dated 2-3-34 from the Assistant Engineer, No.I Sub-Division to the Executive Engineer. -do- 13-8-35.

D(33) Letter dated 28-5-34 from the Superintendent Chamarajendna Technical Institute, Mysore to the Executive Engineer, Irwin Canal Division. P.W.42 16-8-35.

D(34) Intimation sent by Burn & Co., Limited, Howrah - Iron works on 10-4-34 intimating despatch of goods. -do- -do-

D(35) Copy of No.1039 dated 11-12-33 in the hand-wiring of the first accused and signed by Mr. C.T. N. Iyengar on 12-4-34 -do- -do-

D(36) Copy of letter No. Nil dated 12-12-33 in the handwriting of the first accused and signed by Mr. C.T.N Iyengar on 12-4-34 -do- -do-

D(37) Entry in page 72 in the cash book Ext.P(205) containing the initials of P.W42 Mr. C.T. Narasimha Iyengar. -do- -do-

D(38) A Bill dated P.W.24 16-8-35.

D(39) Leave application ~~xxxxxx~~ by second accused M. Singriengar submitted on 11-6-34. P.W.42 17-8-35.

D(40) -do- submitted on 12-4-34 -do- -do-

D(41) -do- submitted on 7-4-34 -do- -do-

D(42) -do- submitted on 10-6-34 -do- -do-

D(43) Entry No.194 dated 6-12-34 in Ext.P(322) "ro" Register Comptroller - kept in the Executive Engineer's Office Mandya. -do- -do-

D(44) Entry on page 24 of Ext.P(270) containing the initials of second accused and Rajiengar with date 7-4-34 and initials of Mr. C.T. Narasimhaiengar. P.W.42 -do- -do-

D(45) Office copy of a covering letter No.899 dated 18-4-34 for forwarding the progress report for March 1934. -do- -do-

D(46) Brief note to accompany the progress report for March 1934 containing the initials of second accused and of Mr. C.T. Narasimha Iyengar P.W.42 - dated 17-4-34.

D(47) Office copy of letter No.898 dated 18-4-34 addressed to the Chief Engineer bearing the initials of the second accused and of Mr. C.T. Narasimhaiengar. with date 17-4-34 -do- -do-

D(48) Muster Roll -do- -do-

D(49) Memo No.996 dated 18-4-34 on a bill - bearing the initials of the second accused and the signature of Mr. C.T.Narasimha Iyengar (P.W.42) on 17-4-35. -do- -do-

D(50) Statement showing the articles sold and the realisation credited to Irwin Canal Works during March 1934 with initials of second accused with date 17-4-34.

D(51) Tappal book maintained in the Office of the Executive Engineer, Irwin Canal Division, Mandya.

DGM/

Presented by
Mr. M. Singaracharlu
M/9/35

In the Court of the Assistant Sessions JUDGE, Mysore.

Mysore, Dated 28th August 1935.

Present : G. Ramasiviah, Esquire, B.A., B.L.,

Assistant Sessions Judge.

Sessions Case No : 8/34-35

Complainant : Government of Mysore.

Vs.

Accused. (1) R. Krishna Rao.

(2) [illegible] Ingriengar.

J U D G M E N T.

I. The facts leading to this prosecution are as follows. The first accused R. Krishna Rao, and the 2nd accused [illegible] Ingra Iyengar were the Store-Keeper and Accountant respectivdy, in the Office of the Executive Engineer, No.V Canal and Project Division, Hemavathy. The Deputy Commissioner of Engineer visited Hemavathy on 13-9-34, and handed over to P.W.42 Mr. C.P. Narasimha Iyengar, Executive Engineer, No.V Canal and Projection Division, Hemavathy, which will hereinafter be referred to No.V Division, the anonymous petition Ext. (326) which had been addressed to the personal address of the Chief Engineer enclosed in the cover Ext. (326)a, which bears the postal seal of the place of posting, dated 19-9-34. It is alleged in Ext. (326) that on the night of 3-9-34 at about 8 P.M. 160 bags of cement and 6 cwt removed in carts from the Engineer's Office to Mysore. P.W.42 paid a surprise visit to the Stores on the morning of 20-9-34 and on the same day he received by post another anonymous petition Ext. (325) dated 21-9-34 and addressed to him personally as seen from the cover Ext. (325)a in which the above petition had been enclosed. On the morning of 22-9-34, P.W.42 as a result of the counting he made, found 393 bags at the Stores and recorded the same in Ext. (274)a. There was a shortage of 320 bags, and on further enquiry he learnt that some bags had been carted away from the Stores. On the evening of 21-9-34, P.W.36

P.W.36 S.G. Rama Iyengar, the stores Accounts clerk brought Rs.2 0/- from the first accused, and P.W.42 got the amount credited to the Treasury and granted the receipt Ext.P(276) to the 1st accused for the said amount. On 22-9-34, P.W.42 got the stores sealed after counting, and got it opened at 11 A.M. on 23-9-34, instructed the 2nd accused to search for all the vouchers in the store-keeper's room and to find out the exact shortage after posting the A.Form Register, in which the entries are made after the monthly returns relating to stock are submitted to the Comptroller after being compiled out of the entries in the Register of Daily Receipts and Issues maintained by the store-keeper. In the evening of 23-9-34 the second accused gave out that there was a total shortage of 1335 bags. The A Form Register had not been posted for the months of July, August, and September 1934. P.W.42 then sent the written complaint Ext.P(321) to P.W.40 Sr. H.S. Doorulla the Police Inspection at Mandya, who took up investigation of the case after submitting the F.I.R. under section 409 I.P.C. arresting the first accused the same day. The second accused was arrested on 11-10-34. After completing the investigation he placed a charge-sheet before the Special First Class Magistrate Mandya, on 23-10-34 against the present accused, and one G.S. Krishnaswamy, Typist, for alleged offences under sections 409, 467, 477A and 109 I.P.C. The learned Magistrate after enquiry which took more than 60 sittings, passed an Order on 26 3-35 discharging the accused Krishnaswamy, and committing the present two accused to be tried by the Court of Sessions Mysore Division, for offences under sections 467, 409 and 477A as regards the first accused, and for the offence of abetment as regards the second accused under sections 109 and 409 I.P.C. The case was received by transfer in this Court on 20-5-35, and in this Court also the trial had gone on to the weary length of 80 full working days. Most of the time was occupied in recording of evidence led in by the prosecution with regard to a number of alleged acts of misappropriation before and subsequent

subsequent to the periods during which the particulars acts of misappropriation with which the accused stand charged at present are stated to have been committed. I am constrained to observe that if the Prosecution had let in evidence by examining the witnesses in the order of sequence of events, I would have been able to give much earlier the ruling which I gave on 6-8-35 to the effect that evidence of similar acts was irrelavent in as much as the question of intention or knowledge of the accused and the defence of accident or mistake or other innocent condition of mind, did not arise in the peculiar circumstances of this case.

II. The learned committing Magistrate framed three charges against the first accused and they are :

(1) That he forged the document marked as Ext.P(104)a there, and marked here as Ext.(140)a, which purports to give authority to Messrs. B.V. Narayanaswamy & Co., Bangalore to deliver cement bags, and thereby committed an offence under Section 467 I.P.C.

(2) That he on or about the 28th January 1934, in his capacity as a public servant, committed Criminal Breach of Trust under Section 409 I.P.C. in respect of 200 bags of cement received from the above firm.

(3) That he committed an offence under Section 477A on or about the 11th December 1933 as Store-Keeper, by making false entries marked there as Exts.P(55)d, P(61)f and P(67)k, and here as Exts.P(139)d, (269)d and P(270)b respectively.

The second accused was charged of having committed on or about the 31st December 1933 an offence under Sections 109 and 409 I.P.C. by abetting the first accused in committing breach of trust in respect of 200 bags of cement received by the first accused on 28 1-34 from Messrs. B.V. Narayanaswami & Co., Bangalore.

Before the trial began in this Court and at the instance of the learned Public Prosecutor 2 more charges were framed against the first accused and they are :

2A. That he on or about 19-2-34, committed criminal breach of trust in respect of 200 bags of cement an offence punishable under section 409 I.P.C.

2B. That he on or about 6-6-34 committed Criminal Breach of Trust in respect of 100 bags of cement, an offence punishable under section 409 I.P.C.

The charges against the second accused was modified as follows :-

That he between 28-3-33 and 28-4-34, abetted the first accused in committing breach of trust in respect of 300 bags of cement. Two more additional charges are also framed against the second accused i.e.,

(2) That he between 28 3-33 and 19-2-34 or thereabout abetted the commission of the offence of Criminal Breach of Trust by the first accused in respect of 200 bags of cement and thereby committed an offences under sections 109 and 409 I.P.C.

(3) That he between 28-3-33 and 6th June 1934 or thereabouts, abetted the commission of the offence of Criminal Breach of Trust by the first accused in respect of 100 bags of cement and thereby committed an offence under sections 109 and 409 I.P.C.

III. At first I propose to deal with the three counts of Criminal Breach of Trust regarding which the first accused stands charged under section 409 I.P.C. as the decision to be given with regard to other charges against him and the second accused more or less depend upon the conclusions to be arrived at in regard to the former. Before the case was being summed up by the learned Special Public Prosecutor, he was requested to confine himself to only that much of evidence which was relavent to facts which formed the subject-matter of the specific charges

that related to similar acts of misappropriation prior and subsequent to the above acts. The Assessors were also requested to apply their mind only to such of the Evidence that had an immediate bearing on the specific charges in question. P.W.40 who investigated the case admits in the course of his examination that he has presented separate charge sheets with regard to all the prior and subsequent acts of misappropriation, and that the above ~~acts~~ cases are still pending. In the circumstances, I refrain from dealing with evidence that has been let in with regard to the said acts, as otherwise the parties concerned will be embarrassed in handling the above cases. Now coming to the facts of the present case, Ext.P(237) dated 21-7-33 purports to be an order for 400 bags of cement placed with Messrs. B.V. Narayanaswamy & Co., Bangalore, by P.W.41 Mr. N. Subba Rao, the then Executive Engineer, No.V ~~xxxx~~ Division. But P.W.41 says that the portion in Ext.P(237) ordering for 400 bags of cement is a subsequent insertion made after obtaining his signature to a letter requring the firm to send the Railway general Receipt for prepayment of freight. In response to the above order the firm despatched 400 bags of cement in two consignments of 200 bags each, and sent two bills for Rs.687-8-0 each through the Bank of Mysore Limited., for the value of the said bags being realised. Exts.P(238) and P(239) are stated by P.W.35 K.R. Srinivasan son of one K. Ramaiah the Managing partner of the firm as being the triplicates of the Bills dated 26-7-33 and 31-7-33 respectively and sent to the Bank of Mysore Limited., in duplicate for being realised from the drawer the Executive Engineer No.V Division. P.W.30 N.S. Gopaliah clerk, Bank of Mysore, deposes that as soon as the said Bills were received at the Bank, they were sent by Post to the drawer for collection, that Ext.P(165) dated 4-12-33 is a receipt granted by the Bank of Mysore Limited., to the Executive Engineer, No.V Division, for Rs.1376/- in payment of the said two bills, that Ext.P(166) is the credit voucher for having received the amount, that one official from the Executive Engineer's office, Mandya, paid

paid the amount by signing on the reverse of Ext.P(166), Ext. P(166)a being his signature, and representing that he was making payment under the instructions of the Executive Engineer, that as per entries Exts.P(164)b and P(164)c in the Bill collection Register maintained at the Bank the amount was credited to the accounts of the firm on 4-12-33. P.W.41 the Executive Engineer says that he never made the above payment and that he never authorised the first accused, by whom the above payment purports to have been made, to make any such payment. On the plea of sending the communication Ext.P(201) dated 11-12-33 to the Bank of Mysore Limited., acknowledging receipt of Ext.P(165) , and of sending a copy thereof to the firm for information, the signature of P.W.41 Mr. N. Subba Rao, the Executive Engineer was obtained to Exts.P(201) and Ext.P(140), and after they were signed, the portion Ext.P(140)a purporting to be an order for sixty tons of cement was inserted on the back of Ext.P(140)a despatched to the firm, in the space available between the last line and the signature of P.W.41. Ext.P(141) is the copy of Ext.P(140) retained at the office and the portion Ext.P(141)a is in the handwriting of the first accused. Ext.P(225) dated 20-12-33 is a letter by the firm acknowledging receipt of Ext.P(140) and enclosing Railway receipt Ext.P(110) for 440 bags of cement together with Currency notes and Postal stamps of the value of Rs.458-10-0 being the Railway freight payable on the above consignment. The first accused took delivery of the said bags on 24-12-33 as per entry Ext.P(111)a signed by him in the good inwards and delivery book from P.W.21 Mr. M. Ramachandriah, the then Station Master at Mandya. The firm sent another consignment of 200 bags as per Railway receipt Ext.P(112) dated 27-1-34 which arrived at Mandya on 28-1-34 by waggon No.712. The Railway Receipt was endorsed by P.W.33 A. Subba Rao Accounts clerk then in favour of the first accused, who made the endorsement Ext.P(112)a dated 29-1-34 himself. Though the said endorsement is dated 29-1-34, and though P.W.33 deposes that Ext.P(112)a was received at the Executive Engineer's office on 29-1-34, P.W.21 the Station Master deposes that the bags arrived

arrived at Mandya on 28-1-34 by waggon No.712, that the first accused took delivery of the bags on 28-1-34 as per entry Ext. P(113)a signed by the first accused, that the first accused got them booked to self for Mysore as per Railway receipt Ext.P(4) dated 28-1-34, that the bags were despatched to Mysore by the same waggon, and that Exts.P(11) and P(11b) are the forwarding and risk notes relating to Ext.P(4) and they were filled up and signed by the first accused. The R.R. Ext.P(4) dated 28-1-34 was sent to the P.W.1 Hakim Mohammed Ghouse, who was purchasing cement from the first accused, and the former endorsed the receipt as per Ext.P(4)a to P.W.8 Ibrahim Sab, cart-man who took delivery of the bags at the Mysore Railway Station from P.W.20 M. Sambasiviah, the Goods Clerk as per entry Ext.P(54)a and carted them to the shop of P.W.1. This witness says that he purchased these bags from the first accused at Rs.58/- a ton. Ext.P(5) is a post card dated 30-1-34 written by the first accused to P.W.1 refering to Ext.P(4) and the consignment thereunder. Exts.P(306) and P(307) are the vouchers purporting to have been given by the first accused for having paid Rs.2-8-0 and Rs.7-8-0 respectively towards unloading and Carting Item the said bags at the Railway Station to the Stores at the Office of the Executive Engineer of No.V Division at Mandya, though the bags had been booked by him direct to Mysore. Ext.P(227) dated 27-1-34 to is a Bill for Rs.730/- sent by the firm ~~M~~ the Executive Engineer No.V Division through the Bank of Mysore, Limited., for the recovery of the value of 2 0 bags of Gharminar Cement despatched from -- Bangalore to Mandya as per R.R. Ext.P(112). P.W.30 N.S.Gopaliah the Clerk of the Bank of Mysore, deposes that reference to the Bills collection Register Ext P(164) maintained by the Bank that the amount due under the Bill Ext.P(227) was fully realised and credited to the Accounts of the firm on 30-4-34. Ext.P(116) dated 13-2-34 is a R.Receipt for 200 bags of cement despatched from to Bangalore by the firm ~~M~~ the Executive Engineer, No.V Division, Mandya b waggon No.686. The first accused took delivery of the said bags from P.W.21 the Station Master at Mandya as evidenced by the Entry Ext.P(113)b which is signed by him. As per Railway

Railway receipt Ext.P(6) dated 19-2-34, the said bags were got booked to self by the first accused for Mysore and were despatched to Mysore by the same wagon. The first accused sent Ext.P(6) having endorsed it in favour of the bearer to P.W.1, who endorsed it in turn in favour of P.W.8 cartman Ibrahim Sab as per Ext. (6)a. P.W.8 took delivery of the bags at the Mysore Railway station from P.W.20 as per entry Ext.P(55)a and carted them to the shop of P.W.1. Ext.P(7) dated 20-2-34 is the delivery note relating to this consignment granted by the Cash Delivery clerk of the Mysore Railways, Mysore. Ext.P(8) dated 22-2-34 is a receipt for Rs.502/- granted to P.W.1 by the first accused. Exts.P(308) and (309) are the vouchers given by the first accused for having paid Rs.2-8-0 and Rs.7-8-0 for unloading and sorting charges respectively with regard to these 200 bags. Ext.P(228) dated 13-2-34 is a bill for Rs.730/- sent by the firm through the Bank of Mysore to the Executive Engineer, No.V Division, Mandya for the recovery of the value of the above 200 bags. P.W.30 says that the amount was fully realised and credited to the firm's accounts on 30-4-34. As per Ext.P(256) dated 28-5-34 an order for two wagoons of cement was placed with the firm by P.W.42 Mr. C.T. Narasimha Iyengar the then Executive Engineer, No.V Division, Mandya. Ext.P(259) dated 4-6-34 is the communication sent by the firm enclosing R.R. Ext.P(142) dated 31-5-34 for 460 bags of cement sent from Guhabad to the address of the firm. The latter have endorsed the said receipt in favour of the Executive Engineer, No.V Division, Mandya. The said consignment was received at Mandya on 5-6-34 and the first accused took delivery of them at Mandya on 6-6-34 as per entry Ext.P(111)d, which he has signed, from P.W.23 Mr. K.N.Srinivasa Rao the then Station Master at Mandya. The consignment was received at Mandya in two wagons Nos. 4373 and 12376 containing 260 bags each. Out of 460 bags, 360 were removed at Mandya Railway station, and 100 bags which were left in Wagon No.12376 were got booked to self by the first accused for Mysore as per R.R.Ext.P(13) dated 6-6-34. Exts. (143) and P(144) are the forwarding and risk notes relating to R.R. Ext.P(13) and they were filled up by the first accused in the presence of P.W.23. The R.R. Ext.P(13) was sent by post to P.W.1, and Ext.P(15) dated 7-6-34 is the letter with which was sent

is the letter with which Ext.P(13) was sent both being enclosed in the cover Ext.P(16). Ext.P(14) dated 9-6-34 is a receipt granted by the first accused to P.W.1 for Rs.280/-. Ext.P(208) dated 5-6-34 is the Bill sent by the firm through the Bank of Mysore to the Executive Engineer, No.V Division, Mandya, for Rs.1523-12-0 being the value of 460 bags of cement referred to above. P.W.30 says that the amount was realised and credited to the accounts of the firm on 28-6-34. Exts.P(314) and P(315) are xxxxx the vouchers given by the first accused as regards Rs.2-8-0 and Rs.17-4-0 being the unloading and carting charges of the above 460 bags. From the above evidence it is clearly seen that the first accused got booked to Mysore from Mandya 200 bags of cement on 28-1-34, 200 bags more on 19-2-34, and another 100 bags on 6-6-34, for being sold by him to P.W.1 a Hardware Merchant at Mysore, that the Comptroller to the Government of Mysore paid to the firm the value thereof, that the first accused committed criminal breach of trust by misappropriating the above 500 bags of cement for his own use and benefit, when the Executive Engineer, No.V Division, of which the first accused was the store-Keeper was authorised as such to receive the bags for and on behalf of the Executive Engineer, No.V Division, Mandya. The first accused in the course of his examination by the Committing Magistrate, stated that he had nothing to say in the matter, and his statement there is marked as Ext.P(329). He made a very lengthy statement here, and as regards the Charges of criminal breach of trust he says that Indent No.1039 dated 11-12-33 and marked as Ext.P(140) was placed by P.W.41 xxx Mr. N. Subba Rao, Executive Engineer, and that he did not get the bags in question booked to Mysore. He does not choose to specifically deny his writing and signature in the concerned Railway Receipt and the Forwarding and Risk notes. Neither does he say anything as regards the alleged sale of the bags of cement in question to P.W.1, from whom he has received payments towards the value of the bags of cement supplied to him. It is impossible for

for him to meet the overwhelming documentary evidence that nasbeen let in by the Prosecution, and which goes to prove beyond doubt that he got booked to Mysore the cement bags in question and sold them to P.W.1. His contention that Ext.P(140) was not a bogus but a genuine order placed by P.W.41 is of no avail to him. Because as already stated, the bags had been sent by the firm to the Executive Engineer, No.V Division, Mandya, and as is evident from the Bills Exts.P(208). P(227) and P(228), which have all been paid by the Comptroller to Government of Mysore, they had become the property of Government. The case was tried with the aid of five Assessors, and Mr. V.L. Dhanaram one of them could not be present from 23-7-35 onwards on account of illness. Of the remaining four Assessors, who were present throughout the trial, Mr. M. Anantha Krishna Iyengar is of opinion that the first accused is guilty under Section 409 I.P.C. with regard to the charges 2, and 2B, and that benefit of the doubt may be given to him as regards charge 2A. Mr. Narasinga Rao Scindhia says that the first accused is guilty under Section 409 I.P.C. with regard to charges 2A and 2B and gives him benefit of the doubt as regards charge 2. Mr. N. Doreswamy Mudaliar is also of the same opinion as Mr. Narasinga Rao Scindhia. Mr. P.N. Sangappa is of opinion that the first accused is guilty of all the three counts. By fully agreeing with the opinion of this Assessor and partly agreeing and partly disagreeing with the opinion of the remaining Assessors, I find the first accused guilty of all three charges i.e., 2, 2A and 2B.

IV. Now coming to charge No.1 against the first accused of having committed forgery under Section 467 I.P.C. with regard to the document marked as Ext.P(164)a in the Committing Magistrate's Court and as Ext.P(140)a here, there is absolutely no evidence to show that it was he who made that document though there is ample material to hold that it must have been made at his instance. The contention of the first accused that it is a genuine order cannot be accepted even for a moment There is the evidence of P.Ws.41 and 42 who were the two Executive Engineers in charges of No.V Division, Mandya that before placing order to fresh supplies the requirement for cement was being ascertained from the Sub-Divisional Officers concerned, that the amount of stock at the Stores

Stores was being as ertained from the Store-Keeper, and that the quanity to be ordered was being decided after getting the above information. As a matter of fact there is evidence to show that such a procedure was followed with regard to Ext. P(258) dated 26-5-34, which was an orders placed with the firm for two waggons of cement. Ext.P(148) dated 11-4-34 is the lett by P.W. 42 the then Executive Engineer asking P.W.24 Mr. M.C. Sampath Iyengar, Assistant Engineer No.II Sub-division, Mandya, to state the requirement of cement for the three months to end of June 1934. P.W.24 has stated in reply Ext.P(148)a dated 12-4-34 that 36 tons of cement was required . In that connection the first accused as store-keepe has submitted the Memo Ext.P(149) dated 25-4-34 stating that the requirements of cement bags for Nos.I and II Divisions worked up to 36 tons and that out of 440 bags received on 9-5-34 only about 50 bags was in stock, and that order may be placed for waggons, one waggon to be supplied by the end of May and anot by the 12th June 1934. P.W.24 submitted the Memo Ext.P(149) dated 25-4-34 approving of the suggestion of the store-keeper the first accused and that the second accused as Accountant submitted the Memo Ext.P(149)b dated 25-5-34 requesting orders to be placed. Accordingly the order Ext.P(258) dated 26-5-34 was placed by P.W.42. None of the above appears to have been done with regard to Ext.P(140) which purports to be a copy of Exs.P(201), which is a more letter acknowledging receipt of Ext.P(165). Ext.P(139) is the "To Register" that was being maintained by P.W.22 N. Krishnamachar a clerk in the current Branch of the Executive Engineer's office, No.V. Division Mandya and the Entry Ext.P(139)d therein purports to be the "To. Number" relating to the order Ext.P(140) sent to the firm P.W.22 deposes that he made the entries Ext. P(139)a to Ext. P(139)g, except the entries Exts. P(139)c and P(139)d, that the letter "a" by the side of the figure 1038 in Ext.P(139)e was not put by him that likewise the latter "a" by the side of figure 1039 in Ext.P(139)f was not put by him, that the entries

entries Exts.P(139)c and P(139)d are in the writing of the first accused, that the said entries are not to be found when he made the Entries Exts.P(139)e and P(139)f, that ~~he~~ he did not enter the figures 1038 and 1039 in Ext.P(140), and the figures 1038 and 1039 in Ext.P(141), and that the said figures are in the writing of the first accused. By a mere glance at the entries Exts.P(139)c and P(139)d it can be made out ~~that~~ that they are subsequent interpolations made by the first accused himself, who did not want P.W.22 or any other clerk in the office to know the contents of Ext.P(140)a the letter sent to the firm and of Ext.P(141)a, a copy thereof maintained at the office. The whole of Ext.P(140) is typed, and P.W.38 R.A. Krishna Iyengar, Head clerk, No.V Division, says that Ext.P(140) is initialled by him on the back, and that when he initialled it the portion Ext.P(140)a was not to be found. It has thus been satisfactorily proved that Ext.P(140)a is a bogus indent interpolated after Ext.P(140) was signed by P.W.41 Mr. N. Subba Rao Executive Engineer. As already stated there is absolutely no evidence to show that the said document was typed by the first accused, though it can be safely stated that he was instrumental in getting up that document typed. P.W.22 N. Krishnamachar, clerk in the current Branch, and P.W.38 R.A. Krishna Iyengar Head clerk of the office of the Executive Engineer, No.V Division, say that the first accused did not know typing at all. For the foregoing reasons agreeing with the unanimous opinion of the Assessors, I hold that the first accused account is not guilty under Section 467 I.P.C. Though the facts warrant a conviction of the first accused for the abetment of the offence of forgery with regard to Ext.P(140) in view of the conflict of ~~xxxx~~ decisions as to whether a conviction for abetment is permissable when charged only for the substantive offence without a specific -- charge as regards abetment, and in view of the fact that the Assessors had no opportunity to give their opinion as regards the offence -- of abetment, I do not propose to convict the first accused for abetment of the offence in question.

V. The more charge that remains to be considered with regard to the first accused is that he committed an offence under Section 477A I.P.C. by wilfully and with intent to defraud making the false entries

entries marked as Exts.P(55)d, P(51)f and P(57)k in the Committing Magistrate's Court, and as Exts.P(139)d, P(269)d and P(270)b respectively here. Ext.P(139)d is an entry in the "To. Register" Ext.P(139), proved to have been made by the first accused, who admits of having made some entries in the said Register, though not of his own accord but at the instance of the Head clerk in the Office. This entry relates to Ext. P(140), which is already held to be a bogus indent placed with the firm of Messrs. B.V.N. Swamy & Co., Bangalore, for 60 tons of cement, and was made to show that such an order was placed by the then Executive Engineer, though it was not actually so. Ext.P(269)d is an entry in Ext.P(269) the Account of Daily Receipts of Stock and Stores for the month of February 1934 relating to No.V Digision, Mandya and according to it 10 tons of 200 bags of cement is mentioned as having been received at the Stores from B.V.N. Swamy & Co., on 28-1-34, though the said consignment was taken delivery of and got booked direct to Mysore by the first accused under the R.R. Ext.P(4) dated 28-1-34, instead of being taken to the Stores. The intention with which this entry was made is quite obvious, and that it was made for the purpose of rendering false account is also quite clear. The entry Ext.P(270)b in the measurement book Ext.P(270) which was admittedly being maintained by the first accused relates to Ext.P(297) which is a Bill of Messrs. B.V.N. Swamy & Co., for Rs.730/- being the value of the above consignment. The first accused says that he was making entries in Ext.P(270) measurement Book after the receipt of Bills concerned. There is the evidence of P.W.33, P.W.34, P.W.36, P.W.37 and P.W.39 that the Bills will be received at the Audit Branch of the office concerned after the Store-keeper makes the stock certificates thereon, and after the said certificates are initialled by the Executive Engineer, who does it after verifying the entries in the measurement book. They also state that at the time of auditing and passing Bills for payment the corresponding entries in the Daily Receipts Register and the measurement book must be verified in order to find out whether the articles concerned

concerned were actually supplied and received at the Stores. The entry in question in the Measurement Book was made by the first accused with a view to get payment made by Government with regard to the value of articles which he himself had misappropriated. The Prosecution have thus succeeded in establishing all the elements constituting an offence under Section 477A, with regard to the three entries referred to in the third charge against the first accused. They are all proved to be false entries made by him with intent to defraud Government. I therefore, find him guilty under Section 477A agreeing with the unanimous opinion of the Assessors.

V The indictment against the second accused is that he being the Manager and Accountant of the Office of the Executive Engineer, No.V Division, Mandya, abetted the commission of the offence of Criminal Breach of Trust by a Public servant the first accused in respect of all the three counts regarding which the first accused is charged. From the evidence that has been let in for substantiating the charge against the accused, it is sought to be made out that the second accused being the Head not only of the Accounts Section of the Office, but also of the whole Ministerial staff, conspired with the first accused offending him facilities to commit the acts of Criminal Misappropriation by not exercising proper scrutiny and checking as regards the compiling of various accounts and periodical returns from 28-3-33 onwards up to 28 1-34, 19-2-34 and 6-6-34 on which dates the alleged acts of Criminal Breach of Trust have taken place, and even subsequently with a view to help the first accused to conceal the acts of embezzlement. As I have already stated at the beginning I do not propose to deal with the mass of evidence that has been let in with regard to the compilation of stock accounts and the returns thereof as it all relates to similar acts of embezzlement by the same accused against whom separate cases are still pending before the Special First Class Magistrate, Mandya. No doubt considerable trouble has been taken by the Prosecution to point out inaccuracies as regards the half Yearly and other Returns of stock that were being submitted to the Comptroller, but any reference or comment on that evidence at this stage is sure to be a source of embarrassment to the parties concerned in the conduct of those cases. Moreover, in

in view of the ~~fact~~ modus operandi adopted in the commission of the specific acts of embezzlement with which we are concerned at present, i.e., the booking of the cement bags direct from the Railway Station without their being brought to the Stores, when only the accounts relating to the quantity of stock at the Stores will be of material importance, the evidence relating to the accounts of the Stores has no direct bearing on the facts of the present case. Likewise such of the evidence that points to the fact that the second accused had had opportunity of seeing at the office copy Ext.P(141) of the bogus indent Ext.P(140) at the time of ~~receiving~~ reviewing the concerned Bills Exts.P(227) and P(228), and that he failed take due notice of the same. The said Bills are ~~received~~ reviewed on 10-3-34 and the consignments of cement bags to which the above Bills relate were misappropriated on 28-1-34 and 19-2-34 respectively. Therefore, even if it is true that the second accused had occasion to look at Ext.P(141) on 10-3-34, he cannot be held to have abetted the offences under Section 409 I.P.C. as held in 61 I.C.836, A.I.R.1928 Lahore 382 and 2 Bur.L.J.275 though he might be held liable under some other sections. //

Now coming to the evidence which has got a direct bearing as regards the charge against the second accused, it may at once be stated that there is nothing to show that he had any hand in the making of the false indent Ext.P(140). Neither this document nor its copy Ext.P(141) retained at the office bears the initials of the second accused, and the argument that was urged on behalf of the Prosecution that the second accused purposely or designedly refrained from putting his initials to them, may as well be used of by the defence by stating that the person or persons who ~~was~~ are responsible for making that document might have purposely or designedly so managed as ~~nothing~~ not to bring it to the notice of the second accused. There is ample testimony of the Prosecution witnesses themselves to establish that there was no need nor occasion for the Accounts clerks and the Accountant to refer to the office copy of indents at any time while auditing and passing Bills for payment. P.W.33 A. Subba Rao, who is now the

the Cashier in No.V Division, Mandya, and who was the Accounts clerk from 1-1-1932 till 31-12-33 in that Division, says that as far as he is aware of them there was no rule in P.W. Accounts Code, nor any Departmental instruction prior to February 1935, that the Office copy of the order relating to goods should be looked into before passing Bills, that it was not usual to refer to A Form Register, Half-Yearly Accounts, Half-Yearly Counting Certificates, as there was no rule to that effect, that it was not the duty either of the Accountant or of the Accounts clerk to verify the ~~xxxxxx~~ actual stock at the Stores, that it was not their duty to verify the actual stock in existence at the Stores, that before passing Bills they had to satisfy as to whether there was the stock certificate, whether the entry had been made in the Daily Receipt Register, whether the quantity has been mentioned in the Measurement book, and whether such entry is initialled for having been checked by the Executive Authorities concerned, that they have also to satisfy themselves whether the rate mentioned in the Bills tallies with the sanctioned rate, and that their responsibility ceases if the above conditions are fulfilled. P.W.34 C. Srinivasa Murthy, who was also an Accounts clerk in the Division, deposes that he was preparing the Half-Yearly Counting Certificates of Stock for being submitted to the Comptroller. that he was not looking to the Indents at the time of preparing such certificates, as there was no rule to that effect, that it was the stor Keeper who had to render accounts as regards the number of articles at the Stores per "A. Forms" balances ~~mentioned~~ maintained by the Accounts Branch, that such balances are arrived at with reference to the Dailya-- Receipts and Issues of stock, and that the Office copies of Indents are not being filed in the Accounts Branch. P.W.36 B.G. Raja Iyengar who was the Stores Accounts clerk in the Division from 8-2-34 till 13-12-34, corroborates what the previous witnesses have stated, and further deposes that it was he who audited the Bills Ext.F(208), F(227) and F(228) - these are the Bills relating to the bags of cement which are misappropriated that the above Bills are entered in the measurement book Ext.F(270) and the said entries are initialled by the Executive Engineer, that all the articles referred to therein find a place in the Daily Receipt Register, that the entries in the

the said Registers are made by the Store-keeper, and that as there was no regular file maintained as regards Indents, and as the filling up of the column relating to the number of Indents was not being strictly enforced in in the case of Daily Issues, he did not insist upon the column being filled up by the first accused. P.W.37 Mr. S. Govinda Rao Superintendent, Comptroller's Office, who conducted special auditing in connection with this case, deposes that the Store Accounts clerk must also look at the Indents while compiling monthly accounts——P.W.36 who was the Stores Accounts clerk in the Division says that this is not incumben that it is the Executive Engineer who has to scrutilize the requirements of the Sub-divisions before placing orders with firms for supply of articles, that the Accountant is not expected to do that, that no Register showing the daily balances of Receipts and Issues is required to be maintained in the Division Office, that the primary responsibility of auditing the Bills rests with the Accounts clerk, that it is not necessary for the Accountant to do over again the work of the Accounts clerk, that fair copies of office drafts do not pass through the Accountant eighter before or after they are signed by the Executive Engineer, as they go direct to the Head clerk, and that the vouchers and copies of orders will be with the Store-keeper. The statement of the second accused both in the Committing Magistrate's Court and in this Court is more or less the same as deposed to by the above witnesses. Mr. V. T. Srinivasan, who was the Assistant Comptroller in the Comptroller's office at the time says that the Bills before being passed for payment, the concerned Indents must be looked into by the A count staff of the Division, consisting of the Divisional Accountant and the Accounts clerks. But the practice in the Division concerned as deposed to by the Accounts clerks who have actually worked there is to the contrary. This witnesses further says that the Executive Engineer is the Officer who is

is responsible for the physical quantity of all the articles received at the Divisional Stores, and that the signature or initials of the Executive Engineer to the stock certificate in the Bill signifies that the articles referred to in the Bills have been-- received at the Stores. P.W.41 Mr. N. Subba Rao, the Executive Engineer, deposes that if the Stock certificate is initialled by the accountant, it indicates that he has referred to the corresponding entries in the measurement book and the Dailay Receipts Register, and that it is not the duty of the Accountant to verify the physical quantity of the articles at the Stores, P.W.42 Mr. C.T. Narasimha Iyengar, who succeeded P.W.41 says that he is of opinion relying on Para 171 of P.W. Accounts Code that the Executive Engineer should visit the Stores with the measurement book to verify the physical quantity of the articles in the Stores, when the store-keeper makes entries in the measurement book immediately after the articles are received at the Stores, and submits the measurement book to the Executive Engineer for the entries being initialled, and that as the measurement book was not submitted to him before 19-6-34, he had no chance of checking the articles referred to in the Bill Ext. P(2 08)and received on 6-6-34. As Per Para 246, Mysore public Works Account Code it is the duty of the Store-keeper to look to the proper custody, preservation, and issue of the Stores under his charge and to the keeping of the required returns relating to them. In para 662 it is laid down that the Divisional Accountant shall be treated as the Head of the Executive Engineer's Office Establishment, and his duties as such are defined as follows in Para 664 :-

(1) As Accountant i.e., as the Compiler of the Office accounts of the Division in accordance with the prescribed rules and from the date furnished to him;

(2) as primary auditor, i.e., as the representative of the Audit Department, charged with the responsibility of applying certain-- preliminary checks to the initial accounts, vouchers, etc.

(3) as Financial assistant, i.e., as the General Assistant and Adviser to the Divisional Officer in all matters relating to the accounts and Budget estimates, or to the operation of financial rules generally. It is furtner laid down in the same Para that in the

the discharge of these duties he is expected to keep himself full conversant with all sanctions and orders passing through the office / and with other proceedings of the Divisional officer and his subordinates which may affect the estimates or accounts of actual or anticipated receipts and charges.

As I have already stated there is nothing to show that the bogus indent Ext.' (140) ever passed through him, and that he ever had any opportunity to look at it. Even if he had an opportunity to look at it, there was nothing to suspect that it was not a genuine order, in as much as it is admitted that it bears the signature of P.W.41 Mr. N. Chuba Rao, Executive Engineer. Neither have the Prosecution ~~have~~ succeeded in proving that it was part of his duty to see that actual quantity of the articles received at the Stores. There is on the other hand the testimony of a number of witnesses who are competent to speak on the point to the effect that it was not his duty to look to the physical quantity of articles in the Stores. P.W.36 who audited the Bills in question says that the corresponding entries in the measurement book and the Daily Receipt book were correct and that there was nothing more to be looked into before passing the Bill, as the requisite stock certificate had been furnished by the Store-keeper the first accused and had been initialled by the Executive Engineer. In the circumstances, I cannot but agree with the unanimous opinion of the Assessors that the second accused is not guilty of the offence with which he stands charged.

VI In conclusion, I find the ~~xxx~~ first accused not guilty under Section 467 I.P.C. and acquit him under Section 309(2) Cr. Pro. Code of that charge. I find him guilty under Section 409 I.P.C. on all the three counts with which he stands charged, and also under Section 477A I.P.C. The second accused is not found guilty under Sections 109 and 409 I.P.C. and he is accordingly acquitted under Section

Section 309(2) of that charge. Now coming to the sentence to be passed on the first accused, it must be borne in mind that duties of public servants as the first accused involving great powers of control over the property entrusted to them are of a highly trustworthy and confidential character, and a breach of trust by such persons must be taken serious notice of. The first accused in this case started in service as a Matchi on a pay of Rs.12/- a month, and having earned the good will and confidence of his superior officers rose to the responsible position of a Store-keeper on a pay of Rs.50/- a month. It is a pity that he should have deviated from the right path of duty at the fag end of his official life and resorted to defraud Government. Taking all the circumstances of this case into consideration, I sentence him to one year's rigorous imprisonment and to fine of Rs.500/- (five Hundred) under Section 409 I.P.C. on each of the three counts. In default of payment of fine he has to undergo further imprisonment of the same kind for six months more. I also sentence him to rigorous imprisonment under Section 477A for one year and a fine of Rs.250/- (Two Hunded and fifty) and in default to three months imprisonment of similar kind. All these sentences will run concurrently in view of his advanced age and in view of his being in custody for nearly a year. The second accused who is not found guilty of the charge brought against him, is hereby acquitted under Section 309(2) Cr. Pro. Code.

VII All the four Assessors who aided in the trial of this case are stated to be business men, and all of them evinced keen interest throughout. In view of the large number of days occupied in the trial of the case, a recommendation will be made through the Sessions Judge, Mysore Division, to the District Magistrate, Mysore, that they may be exempted for a period of two years from serving either as Assessors or Jurors.

Pronounced in open Court.

(Sd). G. Paramasiviah.
Assistant Sessions Judge.
28/8/1935.

DGJ/

Copy applied for by the 2nd Accused on 28-8-35
Copy ready on 31-8-35

SESSIONS CASE NO.8 of 1934-1935.

I. The following witnesses were examined by the prosecution

		Examined on
(1)	Hakim Mohammad Gous.	16-7-35.
(2)	M.C.L. Pathi	17-7-35.
(3)	G.K.D. Baramiah	17-7-35
(4)	Varadichand.	17-7-35
(5)	Puttaswamy	17-7-35.
(6)	S.M. Sakal Chand	18-7-35
(7)	M. Abdul Rahim.	18-7-35.
(8)	Mohammad Ibrahim	18-7-35.
(9)	Sheik Davood.	18-7-35.
(10)	Syed Ameer.	18-7-35
(11)	Mohammad Hussein	18-7-35.
(12)	Venkatappa	19-7-35.
(13)	Siddiah	19-7-35
(14)	Ahamed Sab.	19-7-35
(15)	Sheik Mohadeen.	19-7-35.
(16)	Mr. Venkata Rama Iyengar.	19-7-35
(17)	Mr. M. Venkoba Rao.	19-7-35
(18)	K.R. Subrahmanyam.	19-7-35
(19)	Mr. H.S. Sreenivasa Rao.	19-7-35
(20)	M. Sambasiviah.	19-7-35
(21)	Mr. M. Ramachandriah.	19-7-35 20-7-35
(22)	N. Krishnamachar.	20-7-35 and 23-7-35
(23)	Mr. L.H. Sreenivasa Rao.	23-7-35.
(24)	Mr. M.C. Sampathiengar.	23-7-35 and 24-7-35.

THE COURT OF THE ASSISTANT SESSIONS JUDGE, MYSORE.

		Examined on
(25)	Mr. K.V. Ramachandran	24-7-35.
(26)	Mr. A. V. Dhanakoti Naidu	24-7-35.
(27)	K.N. Ramaswamy Iyengar.	24-7-35.
(28)	Mr. S. Narayana Sharma.	24-7-35.
(29)	R. A. Sreenivasa Iyengar.	25-7-35.
(30)	Mr. N. S. Gopaliah	25-7-35 and 31-7-35.
(31)	G. Kanakasabhapathi.	25-7-35.
(32)	B. Ramaswami Iyer.	26-7-35.
(33)	Mr. A. Subba Rao	26-7-35 and 27-7-35.
(34)	Mr. C. Sreenivasa Murthy	30-7-35 and 31-7-35.
(35)	K. R. Sreenivasan.	1-8-35.
(36)	Mr. B. G. Raja Iyengar	1-8-35, 2-8-35, 3-8-35 & 6-8-35.
(37)	Mr. S. Govinda Rao.	7-8-35.
(38)	Mr. R. A. Krishna Iyengar	7-8-35.
(39)	Mr. V. T. Sreenivasan	8-8-35.
(40)	Mr. H. M. Noorulla.	8-8-35.
(41)	Mr. N. Subba Rao.	9-8-35, 10-8-35 and 13-8-35.
(42)	Mr. C. T. Narasimha Iyengar.	15-8-35, 16-8-35 and 17-8-35.

II. No witnesses were examined on behalf of the Defence.

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DGM/

II. The following documents were admitted in evidence on behalf of the Prosecution.

P.W.1 16-7-1935.

P(1) Railway Receipt dated 18-10-33 sent by A(1) to P.W.1 Hakim Mohammad Gous for having despatched 200 bags of cement addressed to self from Mandya. P.W.1 16-7-35.

P(1)a Endorsment made by P.W.1 on the back of Ext.P(1) to deliver the articles to Ebrahim Sab (P.W.8). by P.W.1 16-7-35.

P(2) Receipt dated 18-10-33 granted bt R. Krishna Rao (to P.W.1) for the receipt of the value of 200 bags of cement i.e., Rs.562/- -do- -do-

P(3) Railway receipt dated 27-11-33 sent by A(1) to P.W.1 for having despatched 200 bags of cement addressed to self from Mandya. -do- -do-

P(4) Railway receipt dated 28-1-34 sent by A(1) to P.W.1 with regard to another consignment of 200 bags of cement sent from Mandya to Mysore. -do- -do-

P(4)a Endorsment by P.W.1 on the back of P(4) for delivery of the articles to Ebrahim Sab (P.W.8). -do- -do-

P(5) Post card dated 30-1-34 addressed to P.W.1 Hakim Mohammad Sab Gous. -do- -do-

P(6) Railway receipt dated 19-2-34 relating to a consignment of 200 bags despatched by A(1) from Mandya to Mysore. -do- -do-

P(6)a Endorsment on the back of P(6). -do- -do-

P(7) Delivery note dated 20-2-1934 issued to P.W.1 relating to consignment of 200 bags of cement -do- -do-

P(8) Receipt dated 22-2-34 granted by R. Krishna Rao to P.W.1 for payment of Rs.502/-. -do- -do-

P(9) Railway receipt dated 19-3-34 sent by A(1) to P.W.1 relating to 100 bags of cement despatched by Gundu Rao from Mandya to Mysore -do- -do-

P(10) Receipt dated 22-3-34 granted by R. Krishna Rao (A.1) for Rs.199/- to P.W.1 Hakeem Mohammed Gous. -do- -do-

P(11) Postal envelope addressed P.W.1 Hakeem Mohammad Gous in which railway receipt alleged to have been enclosed. -do- -do-

P(12) Chit dated 20-3-34 (written by Krishna Rao to P.W.1.). -do- -do-

P(13) Railway receipt dated 6-6-34 sent by the 1st accused for despatch of 100 bags of cement from Mandya addressed to self - Mysore — P.W.1 16-7-35.

P(14) Receipt dated 9-6-34 granted by R. Krishna Rao to P.W.1 — -do- -do-

P(15) Letter dated 7-6-34 written by R. Krishna Rao to P.W.1 — -do- -do-

P(16) Postal envelope which contained letter dated P(15). — -do- -do-

P(17) Letter dated 13-5-34 written by R. Krishna Rao to P.W.1 — -do- -do-

P(17)a Postal envelope which contained the letter P(17). — -do- -do-

P(18) Account book kept by Haim Mohammad Gous — -do- -do-

P(18)a Entry dated 4-7-34 showing payment of Rs.5/- to Krishna Rao — -do- -do-

P(18)b -do- 24-6-34 -do- Rs.10/- -do-

P(18)c -do- 10-9-34 receipt of Rs.10/- from 1st accused.

P(18)d -do- 10-9-34 of Rs.5/- from 1st accused.

P(18)e -do- 6-5-34 showing payment of Rs.100/- to 1st accused.

P(19) Railway receipt dated 9-3-34 relating to a consignment of 120 bags of cement despatched from Mandya to Mysore addressed to self i.e., sender - Krishna Rao by P.W.2 17-7-35

P(19)a Signature of Krishna Rao on the back of P(19) -do- 17-7-35.

P(20) Daybook kept by M.C.L. Pathi from 29-12-1933 to 25-10-34. — -do- -do-

P(20)a Entry dated 17-4-34 in Ext.P(20) relating to the purchase of 140 bags of cement (referred to in P.19). — -do- -do-

P(20)b Entry dated 24-4-1934 in Ext.P(2) showing payment of Rs.1235/- to Krishna Rao being the price of 140 bags of cement. — -do- -do-

P(20)c Entry dated 10-5-34 showing the purchase of 120 bags of cement at Rs.59/- a ton from Krishna Rao. — -do- -do-

P(20)d Entry dated 19-6-34 showing a purchase of 224 bags of cement at Rs.59/- a ton from Krishna Rao — -do- -do-

P(20)e Entry dated 11-7-34 showing a purchase of 120 bags of cement from Krishna Rao at Rs.59/- a ton (½.354/-) -do- -do-

P(20)f Entry dated 9-9-34 showing a purchase of 80 bags of cement at Rs.54/- a ton (Rs.216/-). By P.W.2 17-7-35.

P(20)g Entry dated 15-9-34 showing a purchase of 80 bags of cement at Rs.54/- a ton (Rs.216/-). -do- -do-

P(20)h Entry dated 23-9-34 showing payment of Rs.100/- to Krishna Rao through his brother-in-law Gundu Rao -do- -do-

P(21) Delivery note dated 10-4-34 granted to Carting contractor for 140 bags of cement -do- -do-

P(22) Railway receipt dated 9-5-34 for despatch of 120 bags of cement by first accused from Mandya to Serin_apatam addressed to self. -do- -do-

P(23) Ledger boo) kept by the P.W.2 K.C.L. Pathi- -do-

P(23)a Ledger folio relating to the transactions with Krishna Rao from 13-4-34 to 25-8-34. -do- -do-

P(24) Railway receipt dated 16-6-34 relating to a consignment of 224 bags of cement book by 1st accused to Mysore to self from Mandya -do- -do-

P(25) Railway receipt dated 3-5-33 for despatch of 60 bags of cement by R. Krishna Rao from Mandya to Mysore addressed to self -do- -do-

P(26) Railway receipt dated 8-5-33 for despatch of 20 bags of cement by R. Krishna Rao fromMandya to Mysore -do- -do-

P(26)a Endorsement made by Krishna Rao in the back of Ext.P(26) -do- -do-

P(27) Ledger book kept by G-K.D. Baramiah -do- -do-

P(27)a Ledger folio relating to R. Krishna Rao from 8-12-31 to 10-5-33 -do- -do-

P(28) Day book kept by G.K.D. Baramiah -do- -do-

P(28)a Entry dated 10-5-33 relating to a credit entry of Rs.894-10-9 in favour of Krishna Rao- -do- -do-

P(28)b Entry dated 5-6-33 in Ext.P(28) showing payment of Rs.319-5-0 to first accused. -do- -do.

P(29) Railwa receipt dated 31-5-33 relating to a consignment of 200 bags of cement booked by the 1st accused to Mysore from Mandya addressed to self -do- -do-

P(29)a Endorsement made by R. Krishna Rao on the back of Ext.P(29)-

P(30) Railway receipt dated 27-6-34 relating to 240 bags of cement boo by the first accused from Mandya to Mysore addressed to self. -do- -do-

P-T.O.

P.W.3 17-7-35

P(30)a Endorsement made by Krishna Rao on the back of Ext.P(20). -do- -do-

P(31) Delivery note dated 28-6-34 for 240 bags of cement issued by Mysore Railway Goods shed. -do- -do-

P(32) Account book kept by K.D. Baramiah (P.W.3). -do- -do-

P(32)a Entry dated 28-6-34 showing receipt of 22 tons of cement worth Rs.1298/- from Krishna Rao -do- -do-

b -do- dated 29-6-34 showing payment of Rs.1000/- to Krishna Rao -do- -do-

c -do- dated 6-7-34 showing payment of Rs,244/- -do- -do-

d -do- dated 4-8-34 showing receipt of 11 tons of cement worth Rs.649/- -do- -do-

e -do- dated 6-8-34 -do- 13 tons worth 767/- -do- -do-

f -do- dated 13-8-34 showing receipt of sic sheet bundles worth Rs.1292/- -do- -do-

g -do- dated 26-8-34 showing payment of Rs.800/- to Krishna Rao -do- -do-

h -do- dated 2-9-34 -do- Rs.550/- -do- -do.

j -do- dated 3-9-34 -do- Rs.250/- -do- -do-

k -do- dated 11-9-34 -do- Rs.175/- -do- -do-

l dated 20-9-34 showing payment of Rs.200/- to Krishna Rao

P.W.3 17-7-35

m dated 23-9-34 showing payment of Rs.100/- -do- -do-

P(33) Railway receipt dated 27-6-34 for the consignment of 200 bags of cement booked by Krishna Rao from Mandya to Mysore addressed to self

P(33)a Signature of Krishna Rao on the back of Ext.P(33). -do- -do-.

P(34) Delivery noted dated 30-6-34 for 200 bags of cement issued by the goods shed Mysore Railways -do- -do-

P(35) Day book kept by P.W.3 G.K.D. Baramiah from 21-3-34 to 11-1-35 -do- -do-

P(35)a Entry dated 29-6-34 showing payment of Rs.1000/- (to Krishna Rao) -do- -do-

b " dated 6-7-34 showing payment of Rs.244/- -do- -do-

P.W.3 17-7-35.

P(36) Railway receipt dated 3-8-1934 relating to 220 bags of ceme booked by R. Krishna Rao from Mandya to Mysore - addressed to self P.W.3 17-7-35.

P(37) Delivery receipt dated 4-8-1934 granted by the Railway Auth rities - Mysore Railway Station for 220 bags of cement -do- -do-

P(38) Railway receipt dated 4-8- 1934 for the consignment of 219 b booked by Krishna Rao from Mandya to Mysore addressed to s -do- -do-

P(39) Delivery note dated 6-8-34 given by the Railway Authorities for 219 bags of cement -do- -do-

P(40) Day book in Marvari Caugaage kept in the firm Rajputan Trading Company, Mysore. -do- -do-

P(40)a Entry dated 7-8-33 showing a credit of Rs.878/- from R. Kris Rao being the price of 338 bags of cement -do- -do-

b -do- 31-7-33 showing payment of Rs.100/- to the 1st accused Krishna Rao.

c -do- showing payment of Rs.25/- -do- -do-

d -do- dated 7-8-33 showing payment of Rs.753/- to 1st accused -do- -do-

e -do- dated 30-4-33 showing a payment of Rs.229-12-0 to 1st accused P.W.6 18-7-35.

f -do- dated 30-4-33 showing 40 bags of cement purchased for for Rs.100/- -do- -do-

P(41) Railway receipt dated 13-7-33 for the consignment of 140 bag of cement booked by rishna Rao from Mandya to Mysore addre sed to self P.W.4 17-7-35

P(41)a Signature of Punamchand on the back of P(41). -do- -do-

P(42) Railway receipt dated 31-7-33 for one hundred bags of cement booked by Krishna Rao from Mandya to Mysore addressed to self -do- -do-

P(42)a Signature of Asal Das on the back of P(42). -do- -do-

P(43) Railway receipt dated 1-8-1933 for the consignment of 99 bag of cement booked from Mandya to Mysore by Krishna Rao - addressed to self -do- -do-

P(44) Account book kept in the Rajaputana Trading Company - by R. Krishna Rao relating to his transactions -do- -do-

P(44)a Entries made by R. Krishna Rao in page 300 of P(44) -do- -do-

b Entry (cement 338 bags) in the writing of Krishna Rao in page 101 of P(44) -do- -do-

P.W.5 17-7-35

P(44)c Entries in the handwriting of P.W.5 Puttaswamy in Ext.P(44). P.W.5 17-7-35.

d Entry (Hakim Mohammed Gaus) in the handwriting of 1st accused in p.101 of P(44). -do- -do-

e Entry in the handwriting of 1st accused in page 101 -do- -do-

f -do- -do- -do- -do-

g Entries made by 1st accused in pages 1 and 2 of Ext.P(44). -do- -do-

P(45) Railway receipt dated 1-4-1933 relating to 40 bags of cement booked by the 1st accused to the address of Puttamswamy(P.W.5) -do- -do-

P(45)a Endorsemtn made by P.W.5 Puttasamy on the back of Ext.P(45). -do- -do-

P(45)b Rubber stamp impression of the name "The Rajaputan Trading Co., " on the back of P(45). -do- -do-

P(46) Ledger book in Tamil kept in the shop of M. Abdul Rahim (P.W.7)

P.W.7. 18-7-35

P(46)a Entry dated 3-6-33 showing the purchase of cement of the value of Rs.105-1-0 from R. Krishna Rao. P.W.7 18-7-35.

P(47) Amanath account book in Tamil kept in the shop of M. Abdul Rahim -do- -do-

P(47)a Entry dated 15-8-1934 showing the purchase of 60 bags of cement from 1st accused. -do- -do-

P(48) Goods delivery book No.7 kept by the Mysore Railway Station from 13-5-33 to 1-6-33. P.W.8. -do-

a Entry dated 1-6-33 containing the signature of P.W.8 Mohammad Ibrahim for 200 bags of cement P.W.8 -do-

P(49) Goods inwards and delivery book No.9 dated from 27-6-33 to 20-7-33 -do- -do-

a Entry dated 6-7-33 in Ext.P(49) containing the signature of P.W.8 Mohammad Ebrahim. -do- -do-

b Entry in P(49) containing the signature of Abdul Aziz carting Mutsaddi By P.W.20 19-7-35

P(50) Goods inwards delivery book No.6 dated from 19-4-1933 to 13-5-33. P.W.8 18-7-35

P(50)a Entry dated in P(50) containing the signature of P.W.8 P.W.8 18-7-35

b -do- -do- -do- -do-

P(51) Goods inwards delivery book No.3 from 24-9-1933 to 22-10-1933. -do- -do-

P(51)a Entry dated in P(51) containing the signature of P.W.8 Mohammad Ibrahim -do- -do-

P(51)b -do- dated -do- -do- -do-

P(52) Goods inwards delivery book No.14 from 22-10-33 to 13-11-33. -do- -do-

a Entry dated in P(52) containing the signature of P.W.8 -do- -do-

P(53) Goods inwards and delivery book No.15 from 13-11-~~xx~~33 to 6-12-1933. -do- -do-

a Entry dated in P(53) containing the signature of P.W.8 Mohammad Ibranim.

P(54) Goods inwards and delivery book No.18 from 20-1-34 to 12-2-34. -do- -do-

a Entry dated in P(54) containing the signature of P.W.8 Mohammad Ibrahim. -do- -do-

P(55) Goods inwards and delivery book No.19 from 12-2-34 to 13-3-34 -do- -do-

a Entry dated in Ext.P(55) containing the signature of P.W.8 Mohammad Ibrahim. -do- -do-

P(56) Goods inwards and delivery book No.25 from 17-6-34 to 9-7-34 -do- -do-

a Entry dated containing the signature of P.W.8 Mohammad Ibrashim Sab -do- -do-

b Entry dated -do- -do-

c

P(57) Goods inwards and delivery book No.7 from 30-7-34 to 24-8-34. -do- -do-

a Entry dated containing the signature of P.W.8 Mohammad Ibrahim -do- -do-

P(58) Goods inwards and delivery book No.23 from 12-5-34 to 28-5-34 -do- -do-

a Entry dated in Ext.P(58) containing the signature of P.W.8 Mohammad Ibrahim -do- -do-

P(59) Goods inwards and delivery book No.24 from 28-5-34 to 16-6-34 By P.W.8 18-7-35

a Entry dated in P(59) containing the signature of P.W.8 Mohammad Ibrahim. -do- -do-

P(60) Indent book dated from 13-1-33 to 20-9-34 kept by Sub-Overseer Mr. M. Venkaba Rao P. .17 19-7-35

a Counterfoil of the ident dated 5-7-34 sent by P.W.17 Venkoba Rao for 10 bags of cement -do- -do-

b -do- of indent no.91 dated 5-7-34 -do- -do-

P(61) Indent dated 5-7-34 sent by P.W.17 Venkoba Rao for 10 bags of cement -do- -do-

a The figure -110- in the col: Number of quantity in Ext.P(61). -do- -do-

P(62) Invoice relating indent No-90 dated 5-7-34 for 10 bags of cement (i.e., P(60)a and P(61)). -do- -do-

P(63) Acknowledgment dated 5-7-34 sent by P.W.17 Venkoba Rao for receipt of ten bags of cement - indented in No.90 dated 5-7-34. -do- -do-

P(64) Acknow;edgment dated 7-7-34 sent by P.W.17 Venkoba Rao for recei of 20 bags of cement indented in No.91 dated 5-7-34. -do- -do-

P(65) Indent No-91 dated 5-7-34 for 20 bags of cement relating to the counterfoil P(60)b. -do- -do-

a The figure 120 in the col: Number of quantity in Ext.P(65). -do- -do-

P(66) Invoice relating to indent No.91 dated 5-7-34 i.e., P(65). -do- -do-

P(67) Letter No.698 dated 25-9-34 addressed to Messrs. B.V. Narayana-swami & Co., by the Executive Engineer, Irwin Canal Division, Mandya. -do- -do-

P(68) Letter No. Nil dated 27-9-34 addressed to the Executive Engineer by Messrs B.V.N. & Co., in reply to Ext.P(67). -do- -do-

P(69) Counterfoil of an indent dated 5-7-34 in the Indent b ok kept by H.S. Sreenivasa Rao, Sub-Overseer. P.W.19 19-7-35

P(70) Original indent No.1 dated 5-7-34 for 30 bags of cement relatin to Ext.P(69). -do- -do-

a The figure 30 which appears to have been scribbled in Ext.P(70) -do- -do-

P(71) Invoice relating to the indent P(69) and P(70). -do- -do-

P(71)a The entires - cement - 30 thirty bags made in P(71).
P.W.19 19-7-35.

P(72) Inwards goods delivery book No.10 from 21-7-33 to 15-8-33
P.W.20 19-7-35

P(72)a Entry showing delivery of articles -do- -do-

P(72)b -do- -do- -do- -do-

P(73) Railway receipt dated 1-11-33 for the consignment of 200 bags of ~~consignment~~ cement booked by R. Krishna Rao from Mandya addressed to self -do- -do-

P(74) Railway receipt dated 1-11-33 for the consignment of cement booked by R. Krishna Rao from Mandya addressed to self -do- -do-

P(75) Goods inwards delivery book No.20 dated from 3-3-34 to 20-3-3 -do- -do-

P(75)a Entry in P(75) signed by one Narayanaswamy for having taken delivery of articles -do- -do-

P(76) Inward goods delivery book No.21 from 26-3-34 to 16-4-34 -do- -do-

P(76)a Entry in P(76) showing the delivery of goods to one Narayana swamy -do- -do-

P(77) Railway receipt dated 9-5-34 for the consignment of 59 bags c cement booked by R. Krishna Rao from Mandya to Mysore addre to self -do- -do-

P(78) Railway receipt dated 29-5-33 for the consignment of 200 bag of cement booked B.V. Narayanaswamy & Co., to the Executiv Engineer from Bangalore City to Mandya. -do- -do-

P(79) Goods inwards delivery book from 24-5-1933 to 12-8-1933

P.W.21 19-7-35

a Entry dated 31-5-33 showing the consignment taken delivery of by first accused.

b Signature of R. Krishna Rao in 79(a)

c Entry dated 3-6-33 for delivery of articles by 1st accused

d -do- ~~3-6-33~~ 5-7-33

e -do- 13-7-33

f -do- 27-7-33

g Entry dated 31-7-33 in P(79) signed by the 1st accused.

h Entry dated 1-8-33 in P(79) -do-

THE COURT OF THE ASSISTANT SESSIONS JUDGE, MYSORE.

P(80) Goods consignment note dated 31-5-33. P.W.21 19-7-35.
showing the consignment of 200 bags
of cement by Krishna Rao to Mysore
addressed to self.

P(81) Railway receipt dated 2-6-33 for the consignment of 100 bags
of cement from B.V. Narayanaswamy & Co., to the Executive
Engineer, Mandya. P.W.21 19-7-35.

P(82) Railway receipt dated 6-7-33 for the consignment of 200 bags of
cement from B.V.N.& Co., to the Executive Engineer, Mandya.
-do- -do-

(83) Railway receipt dated 5-7-33 for the consignment of 200 bags of
cement from Krishna Rao from Mandya to Mysore - self
-do- -do-

(84) Goods consignment note dated 5-6-33 for 200 bags of cement booked
by Krishna Rao. -do- -do-

(85) Risk note dated 5-6-33 signed by Krishna Rao -do- -do-

(86) Railway receipt dated 11-7-33 for the consignment of 200 bags
of cement from B.V.N.& Co., Bangalore to the Executive Engineer
Mandya. -do- 20-7-35

(87) Goods consignment note dated 13-7-33 for the consignment of
140 bags of cement by Krishna Rao from Mandya to Mysore.
-do- -do-

P(88) Risk note dated 13-7-33 signed by Krishna Rao relating Ext.P(87)
-do- -do-

P(89) Railway receipt dated 26-7-33 for the consignment of 200 bags of
cement from B.V.N. & Co., Bangalore to the Executive Engineer,
Mandya -do- -do-

P(90) Railway receipt dated 29-7-33 for the consignment of 100 bags of
cement for B.V.N. & Co., Bangalore to the Executive Engineer, Mandy
-do- -do-

P(91) Goods consignment note dated 30-7-33 for 100 bags of cement consigne
by R. Krishna Rao from Mandya to Mysore. -do- -do-

P(92) Risk note dated 31-7-33 relating to Ext.P(91). -do- -do-

P(93) Railway receipt dated 31-7-33 for the consignment of 100 bags
of cement from B.V.N.& Co., Bangalore to the Executive Engineer,
Mandya. -do -do-

(94) Goods consignment note dated 1-8-33 for 99 bags of cement consigned
by R. Krishnaa Rao from Mandya to Mysore. -do- -do-

(95) Risk note dated 1-8-33 relating to the consignment mentioned in
Ext.P(94). -do- -do-

P(109) Risk note dated 27-11-33 relating to the consignment mentioned in Ext.P(109) P.W.21. 26-7-35.

(110) Railway receipt (Foreign) dated 16-12-33 for the consignment of 440 bags of cement from Shanbad Cement Company to the Executive Engineer, Mandya. -do- -do-

(111) Goods inwards and delivery book dated from 15-12-33 to 12-1-34. -do- -do-

P(111)a Entry dated 24-12-33 in Ext.P(111) for delivery of goods to first accused -do- -do-

b

c

d

e

f

P(112) Railway receipt dated 27-1-34 for the consignment of 200 bags of cement from B.V.N. & Co., Bangalore to the Executive Engineer Mandya. -do- -do-

a Endorsement on the back of Ext.P(112) signed by Mr. A. Subba Rao dated 29-1-34 P.W.32. 26-7-35.

b Portion written dated 28-1-34 in Ext.(112). -do- -do-

P(113) Goods inward and delivery book from 21-3-34 to 24-3-34. -do- -do-

a Entry dated 28-1-34 for delivery of goods to first accused. -do- -do-

b Entry dated 19-2-34 for delivery of goods to first accused. -do- -do-

c

P(114) Goods consignment note dated 28-1-34 for the consignment of 200 bags of cement from first accused from Mandya to Mysore. -do- -do-

P(115) Risk note dated 28-1-34 relating to the consignment mentioned in Ext-(in Ext.P(114). -do- -do-

P(116) Railway receipt dated 13-2-34 for the consignment of 200 bags from B.VN.& Co., Bangalore to the Executive Engineer, Bangalore. -do- -do-

P(96) Railway receipt dated 2-10-33 for the consignment of 200 bags of cement from B.V.N.& Co., Bangalore to the Executive Engineer, Mandya. P.W.21. 20-7-35.

P(96)a Endorsement on the back of P(96). -do- -do-

P(97) Goods inwards delivery book from 12-8-1933 to 24-10-33 -do- -do-

a Entry dated 3-10-33 in P(97) for delivery of goods to R. Krishna Rao -do- -do-

b Entry dated 18-10-33 in P(97) for delivery of goods to R. Krishna Rao do- -do-

P(98) Goods consignment note dated 3-10-33 for 200 bags of cement consigned by R. Krishna Rao from Mandya to Mysore. -do- -do-

P(99) Risk note dated 3-10-33 relating to Ext.P(98). -do- -do-

P(100) Railway receipt dated 16-10-1933 for 200 bags of cement consigned by B V.N. & Co., Bangalore to the Executive Engineer, Mandya. -do- -do-

P(101) Goods consignment note dated 17-10-33 for 200 bags of cement consigned by Krishna Rao from Mandya to Mysore. -do- -do-

P(102) Risk note dated 17-10-1933 relating to the consignment mentioned in Ext. (101). -do- -do-

P(103) Railway receipt dated 31-10-33 for the consignment of 200 bags of cement from B.V.N. & Co., Bangalore to the Executive Engineer, Mandya. -do- -do-

P(104) Inwards goods delivery book from 24-11-33 to 12-1-34 -do- -do-

a Entry dated 1-11-33 in Ext.P(104) for delivery of goods to first accused -do- -do-

b -do- 27-11-33 -do- -do- -do-

P(105) Goods consignment note for 200 bags of cement consigned by Krishna Rao ~~xxxxxf~~ from Mandya to Mysore on 1-11-33 -do- -do-

P(106) Risk note dated 1-11-33 relating to the consignment mentioned in Ext.P(105). -do. -do-

P(107) Railway receipt dated 25-11-33 for the consignment of 200 bags of cement from B.V.N.& Co., Bangalore. -do- -do-

P(108) Goods consignment note dated 27-11-33 for 200 bags of cement consigned by Krishna Rao from Mandya to Mysore. -do- -do-

109) Risk note dated 27-11-33 relating to the consignment mentioned in Ext.P(109) P.W.21. 20-7-35.

(110) Railway receipt (Foreign) dated 16-12-33 for the consignment of 440 bags of cement from Shanbad Cement Company to the Executive Engineer, Mandya. -do- -do-

(111) Goods inwards and delivery book dated from 15-12-33 to 12-1-34. -do- -do-

P(111)a Entry dated 24-12-33 in Ext.P(111) for delivery of goods to first accused -do- -do-

b

c

d

e

f

P(112) Railway receipt dated 27-1-34 for the consignment of 200 bags of cement from B.V.N. & Co., Bangalore to the Executive Engineer Mandya. -do- -do-

a Endorsement on the back of Ext.P(112) signed by Mr. A. Subba Rao dated 29-1-34 P.W.32. 26-7-35.

b Portion written dated 28-1-34 in Ext.(112). -do- -do-

P(113) Goods inward and delivery book from 21-3-34 to 24-3-34. -do- -do-

a Entry dated 28-1-34 for delivery of goods to first accused. -do- -do-

b Entry dated 19-2-34 for delivery of goods to first accused. -do- -do-

c

P(114) Goods consignment note dated 28-1-34 for the consignment of 200 bags of cement from first accused from Mandya to Mysore. -do- -do-

P(115) Risk note dated 28-1-34 relating to the consignment mentioned in Ext-(in Ext.P(114). -do- -do-

P(116) Rail ay receipt dated 13-2-34 for the consignment of 200 bags from B.VN.& Co., Bangalore to the Executive Engineer, Bangalore. -do- -do-

P(117) Goods consignment note dated 15-2-1934 for the consignment of 200 bags of cement from Krishna Rao from Mandya to Mysore. -do- -do-

P(118) Risk note relating to the consignment mentioned in Ext.P(117). -do- -do-

P(119) Railway receipt dated 17-3-34 for the consignment of 200 bags of cement by B.V.N.& Co., Bangalore to the Executive Engineer, Mandya. -do- do-

P(120) Goods consignment note dated 19-3-34 for 100 bags of cement consigned by Gundu Rao from Mandya to Mysore and signed by Krishna Rao -do- -do-

P(121) Railway Risk note dated 19-3-34 relating to the consignmen mentioned in Ext.P(120). -do- -do-

P(122) Foreign Railway receipt dated 27-3-34 for the consignment o 440 bags of cement from Shahbad to the firm of B.V.N. & Co from Mandya to Mysore. -do- -do-

P(123) Goods consignment note dated 9-4-34 for the consignment of 140 bags of cement from Mandya to Mysore. -do- -do-

P(124) Risk note dated 9-4-34 relating to the consignment mentione in Ext.P(123).

P(125) Foreign Railway receipt dated 21-6-34 for the consignment of 380 bags of cement from Shanbad to B.V.N. & Co., Mandy -do- -do-

a Endorsement made and signed by Mr. A. Subba Rao (P.W.33) on the back of P(125). -do- -do-

P(126) Extract from the delivery note book for 5 items of consig ments delivered to R. Krishna Rao -do- -do-

P(127) Railway receipt dated 31-3-34 for 60 bags of cement consigned by B.V.N.& Co., Bangalore to the Executive Engine -do- -do-

a Endorsement made and signed by Mr. A. Subba Rao (P.W.33) on the back of Ext.P(127). -do- -do-

P(128) Goods inwards delivery book from 12-2-33 to 12-5-35. -do. -do-

a Entry dated 1-4-33 for delivery of consignment to Krishna Rao. -do- -do-

b -do- 26-4-33 -do- -do-

c -do- 3-5-33 -do- -do-

P(129) Goods consignment note dated 1-4-33 for 40 bags of cement by Krishna Rao from Mandya to Mysore. -do- -do-

P(130) Railway receipt dated 25-4-33 for the consignment of 100 bags of cement from B.V.N. & Co., Bangalore from --

frxm to Executive Engineer, Mandya. P.W.21. 20-7-35.

P(131) Railway receipt dated 1-5-33 for 200 bags of cement consigned by B V.N. & Co., Bangalore to the Executive Engineer, Mandya. -do- -do-

P(132) Goods consignment note dated 3-5-33 for 60 bags of cement by Krishna Rao from Mandya to Mysore -do- -do-

P(133) Goods consignment note dated 8-5-1933 for 20 bags of cement by Krishna Rao from Mandya to Mysore. -do- -do-

P(134) Foreign Railway receipt dated 30-4-34 for the consignment of 440 bags of cement from Shahabad to B.V.N. & Co., to Mandya -do- -do-

a Endorsement made by second accused - signed by the Executive Engineer on the back of P(134). -do- -do-

P(135) Goods consignment note dated 9-5-34 for 120 bags of cement by Krishna Rao from Mandya to Seringapatam--do- -do-

P(136) Risk note dated 9-5-34 for the consignment mentioned in Ext.P(135) -do- -do-

P(137) Goods consignment note dated 9-5-34 by Krishna Rao from Mandya to Mysore -do- -do-

P(138) Risk note dated 9-5-34 for the consignment mentioned in P(137). -do- -do-

P(139) To Register Miscellaneous kept in the Irwin Canal Division, Mandya, from 2-8-33 to 6-2-34. -do- -do-

a Entry No.1036 dated 11-12-33 in Ext.P(139) made by P.W.22 N. Krishna Rao -do- -do-

b No.1037 dated 11-12-33 -do- -do

c No.1038 dated 11-12-33 made by 1st accused R. Krishna Rao. -do- -do-

d No.1039 dated 11-12-33 -do- 1st accused R. Krishna Rao. do- -do-

e No.1038(a) -do- -do- -do- -do-

f No.1039(a) -do- -do- -do- -do-

g No.1040 -do- -do- -do- -do-

h No.1320 dated 24-1-34 containing the intials of the second accused with 24-1- by P.W.33. 27-7-35.

P(140) Letter No.1038 dated 8/11-12-33 addressed to the Bank of Mysore Limited., Bangalore fxfrom the Executive Engineer, Mandya and copy of which forwarded to B.V.N. & Co., Bangalore. -do- -do-

P(140)a Portion in Ext P(140) P.W.38. 7-8-35.

P(141) Copy of letter Ext.P(140) addressed to the Manager of the Mysore Bank, Bangalore. -do- -do-

P(141)a Portion in the handwriting of the 1st accused Krishna Rao P.W.38. 7-8-35.

P(142) Foreign Railway receipt dated 31-5-1934 for the consignment of 460 bags of cement from Shahbad to Mandya to B.V.N.& Co. P.W.23 23-7-35.

a Endorsement made by M. Singri Iyengar on Ext.P(142). P.W.38. 7-8-35.

P(143) Goods consignment note dated 66-1934 for 100 bags of cement by Krishna Rao from Mandya to Mysore. P.W.23. 23-7-35.

P(144) Risk note dated 6-6-34 relating to the consignment mentioned in Ext.P(143) -do- -do-

P(145) Foreign Railway receipt dated 8-6-34 from Shahbad to Mandya to B.V.N. & Co -do- -do-

P(146) Goods consignment note dated 16-6-34 for the consignment of -224 bags of cement by Krishna Rao from Mandya to Mysore. -do- -do-

P(147) Railway risk note dated 16-6-34 relating to the consignment mentioned in Ext.P(146). -do- -do-

P(148) Letter No.955 dated 11-4-1934 from the Executive Engineer to the Assistant Engineer No.2 Sub. Division, Mandya. d.- -do-

a Portion signed by Assistant Engineer in reply to P(148). -do- -do-

b Portion in the handwriting of second accused with his initials. -do- -do-

c Portion - written by 1st accused with date 16-4-34 in pencil. P.W.24. 23-7-35

P(149) Memo dated 25-4-34 sent up by the first accused re: indent of cement. -do- -do-

a Note made by Mr. M.C. Sampathiengar P.W.24 on the back of P(149). on 25-5-34 do- -do-

b Portion in the writing of second accused on 25-5-34. -do- -do-

P(150) Memo dated 21-12-33 by the Executive Engineer No.5 Canal Division to Assistant Engineer No.2 Division re: payment of Railway freight of Rs.45-10-0. -do- -do-

a Portion in the handwriting of second accused with his initia dated 25/12 in Ext.P(150). -do- -do-

P(150)b Portion in the writing of second accused on 25-5-34. P.W.24. 23-7-35.

P(151) Office draft of a letter dated 14-6-34 put up by the 1st accused addressed to the Mysore Bank, Limited, Bangalore. -do- -do-

P(152) Letter dated 16/19-6-34 (No.2623) addressed to the Manager of the Mysore Bank, Limited Bangalore copy of which sent to Messrs B.V. N & Co., Bangalore. -do- -do-

a Last line in the letter addressed to Bank Manager - (stated to be inserted taken on) -do- -do-

b Last 3 typed lines in the copy forward to Messrs. B.V.N. & Co., -do- -do-

P(153) Delivery note book from 24-3-33 and 19-4-33. P.W.35. 24-7-35.

a Entry dated 3-4-33 for delivery of goods - to cart man Abdul Aziz. .do- -do-

P(154) Counter-foil of indent No. Nil dated 13-7-34 by Mr. A.V. Dhanakoti Naidu for six bags of cement. P.W.26. 24-7-35.

P(155) Invoice dated Nil by Mr. A.V. Dhanakoti P.W.26 for 6 bags of cement mentioned in Ext.P(154 and P(156). -do- -do-

P(156) Indent dated 13-7-34 by Mr. A.V. Dhanakoti Naidu mentioned in Ext. P(154). -do- -do-

a Portion in the writing and intitals of first accused with date 14-7-34 in Ext.P(156). -do- -do-

P(157) Memo dated 20-12-33 issued by the Executive Engineer No.5 Canal Division, Mandya, to the Assistant Engineer, No.2 Sub-Division, Mandya directin Mr. S.N. Sharma to count the stock. P.W.28. -do-

a Portion in the handwriting of the second accused in Ext.P(157). -do- -do-

b Initials of the second accused with date 20/12 in Ext.P(157). -do- -do-

P(158) Counting certificate "Stock" for half year - ending 31st December 1933. -do- -do-

P(158)a The entry relating to the stock of cement in Ext.158 i.e., containing the figures 467 counted and 8 an voucher. -do- -do-

b The initials of the second accused with date 31-12-33 in Ext.P(158 -do- -do-

P(159) The counting certificate of stock for the half year ending 30 th June 1933. -do- -do-

a The figures put in pencil in the writing of P.W.34 Mr. Sreenivasa Murthy in Ext.P(154). -do- -do-

P(160) "To" Miscellaneous Register maintained in the office of the Irwin Canal Division, Mandya from 13-3-33 to 2-8-35 P.W.29. 25-7-35.

a Entry No.1945 dated 17-5-35 in Ext.P(160) made by P.W.29 R.A. Sreenivasaiengar -do- -do-

b Entry No.2249 dated 25-6-33 in Ext.P(160) made by P.W.29 -do- -do-

P(161) Letter No.1945 dated 17-5-33 addressed to B.V. Narayana-swamy & Co., Bangalore. -do- -do-

a Portion in Ext.P(161) after the words letter dated 4-5-33. -do- -do-

b Initials of the first accused in Ext.P(161). -do- -do.

c Portion in the handwriting of the first accused in Ext. P(161). -do- -do-

P(162) Letter No.2249 dated 23/26-6-1933 addressed to B.V. Narayan Swamy & Co.,m -do- -do-

a The portion in type - beginning with "Requests..... and ending with July 1933" in P(162).-d - -do-

b Initials of the second accused in Ext.P(162). -do- -do-

c Initials of P.W.34 Mr. C. Sreenivasa Murthy in Ext.P(162) -do- -do-

P(163) Bill dated 11-7-33 sent to the Bank of Mysore, Bangalore by B.V.N. & Sons for Rs.687-8-0 on the Executive Engineer No.V Canal Division, Mandya for supply of cement P.W.30. 25-7-35.

P(164) Extract from Bill collection registeres kept in the Bank Mysore Limited, Bangalore. -do- -do-

P(164)a Entry relating to payment of Rs.68-8-0 B.V.N. & Co., -do- -do-

b -do- dated 4-12-33 relating to a credit of Rs.687-8-0 in the name of B.V.N & Co., -do- -do-

c -do- dated 4-12-33 for Rs.687-8-0 -do- -do-

d -do- dated 4-10-33 for Rs.730-0-0 -do- -do-

e -do- 16-10-33 for Rs.730/- -do- -do-

f -do- 1-11-33 for Rs.730/- -do- -do-

g -do- 27-11-33 -do- -do- -do-

h -do- 21-12-33 for Rs.1457-8-0 -do- -do-

P(165) Receipt dated 4-12-1933 granted by the Bank of Mysore for Rs.1376/- to the Executive Engineer, No. V Canal Division, Mandya for credit of Messrs. B.V.N. & Co., for two bills. P.W.30. 25-7-35.

P(166) Credit voucher for the amount of Rs.1376/- received from the Executive Engineer, No.V Canal Division, Mandya. -do- -do-

a Signature of R. Krishna Rao (first accused) on the back of Ext.P(166 -do- -do-

P(167) Bill in duplicate dated 2-10-1933 by B.V.N. & Co., to the Executive Engineer, No.V Canal Division Mandya -do- -do-
P(167)a for Rs.730/- for 200 bags of cement.

P(168) Covering letter dated 4-10-33 by the Bank of Mysore, Bangalore to the Executive Engineer forwarding the Bills 167 and 167(1). -do- -do-

P(169) and 169(a). Bill in duplicate dated 16-10-33 by B.V.N. & Co., for Rs.730/- for 200 bags of cement. -do- -do-

from

P(170) Covering letter dated 16/17-10-33 ~~fax~~ the Manager of the Mysore Bank to the Executive Engineer forwarding the Bills P(169) and 169(a). -do- -do-

P(171) and 171(a) Bill in duplicate for Rs.730/- for 200 bags of cement by B.V.N. & Co., to the Bank of Mysore to the Executive Engineer No.V Canal Division ~~forwarding Exhibit P(170)~~, Mandya. -do- -do-

P(172) Covering letter dated 1-11-1933 from the Bank of Mysore Limited., to the Executive Engineer No.V Canal Division, forwarding Exts.P(171 and 17(a). -do- -do-

P(173) and 173(a) Bill in duplicate dated 28-11-33 for Rs.730/- for 200 bags of cement by B.V.N. & Co., to the Mysore Bank Limited., on the Executive Engineer. -do- -do-

P(174) Covering letter dated 27-11-33 from the Bank of Mysore to the Executive Engineer forwarding Exts.173 and 173(a). -do- -do-

P(175) Bill dated 20-12-33 for Rs.1357-8-0 for 440 bags of cement by Messrs. B.V.N. & Co., issued on the Executive Engineer. -do- -do-

P(176) Postal Receipt dated 28-1-34 containin, the signature of first accused. P.W.31 25-7-35.

P(177)	-do-	22-2-34	-do-	-do-	-do-
P(178)	-do-	22 3-34	-do-	-do-	-do-
P(179)	-do-	-do-	-do-	-do-	-do-
P(180)	-do-	7-4-34	-do-	-do-	-do-
P(181)	-do-	5-5-34	-do-	-do-	-do-

P(182) Postal receipt dated 4-4-34 containing the signature of the 1st accused. P.W.31. 25-7-35.

P(183) -do- 10-5-34 -do- -do-

P(184) Postal receipt dated 26-6-34 containing the signature of R. Krishna Rao (first accused.) -do- -do- -do-

P(185) -do- dated 6-6-34 -do- -do- -do-

P(186) Postal acknowledgment receipt signed by R. Krishna Rao first accused on 6-6-34. -do- -do-

P(187) Postal receipt signed by -do- on 6-6-34 -do- -do-

P(188) -do- -do- on 12-6-34 -do- -do-

P(189) Postal acknowledgment receipt -do- on 12-6-34 -do- -do-

P(190) Postal receipt signed by -do- on 12-6-34 -do- -do-

P(191) -do- -do- on 13-6-34 -do- -do-

P(192) -do- -do- on 31-7-34 -do- -do-

P(193) Postal ack. receipt -do- on 31-7-34 -do- -do-

P(194) -do- dated 5-5-34 -do- -do-

P(195) Postalreceipt -do- on 1-8-34 -do- -do-

P(196) -do- on 29-8-33 -do- -do-

P(197) -do- on 2-8-33 -do- -do-

P(198) -do- on 2-8-33 -do- -do-

P(199) -do- on 31-5-33 -do- -do-

P(200) Letter No.402 dated 27-8-32 addressed by the Executive Engineer No. Canal and Project Division, Mandya to the Sub-Post Master, Mandya. -do- -do-

P(201) Letter No.1038 dated 8/11-12-1933 addressed to the Manager of the Mysore Bank, Limited., Bangalore from the Executive Engineer, Mand a and recov red by the P.W.32 from the Bank. -do. -do-

P(202) The Security deposit agreement by R. Krishna Rao (first accused) dated 20-5-1931 which was cancelled and returned to him on 23-12-31. -do- -do-

P(203) Intimation dated 26-10-33 sent to Messrs, B.V.N. & Co., Bangalore from the Office of the Executive Engineer, Mandya. -do- -do-

a Signature of A. Subba Rao for Executive Engineer in Ext.P(203) -do- -do-

b Address portion i.e., B.V. Narayanaswamy & Co., in Ext.P(203) in the handwriting of 1st accused. -do- -do-

P(203)c Initials of first accused R. Krishna Rao in Ext.P(203) by P.W.33. 26-7-35.

P(204) Foreign Railway receipt dated 21-6-34 for 440 bags of cement from Shahabad to B.V.N. & Co., Mandya. -do- -do-

a Endorsement made by P.W.33 A. Subba Rao on the back of Ext. P.(204). -do- -do-

P(205) Cash book maintained in the Office of the Executive Engineer Mandya from 29-3-33 to 30-9-34. -do- -do-

a Entry dated 5-5-34 in Ext.P(205) showing a credit of Rs.458-10-0 ffom B.V.N. & Co., -do- -do-

b -do- dated 6-6-34 -do- for Rs.481-6-0 -do- -do-

c -do- " 12-6-34 -do- for Rs.481-6-0 -do. -do-

d -do- 12-5-34 showing the intials of the second accused near the Rubber stamp impress in Ext.P(205) dated 12-5-34. -do- -do-

e -do- 21-5-34 -do- -do- -do-

f -do- 21-12-33 on pp:47.

P(206) Review of cash book sent up by second accused on 1-6-1934 for the month of May 1934 -do- -do.

P(207) Bill No. Nil dated 31-3-1934 for Rs.998-14-0 issued by B.V.N. & Co. on the Executive Engine r No-V Ca al Division Mandya for the cost of one wagon of cement -do- -do-

a Stock certificate impressed on Rubber stamp and the column filled up on the back of Ext.P(207). -do- -do-

P208) Bill dated 4-6-1934 for Rs.1523-12-0 being costs of 23 tons of cement supplied by B.V.N & Co., -do- -do-

P(209) -do- 11-6-1934 for Rs.1523-12-0 being the costs of 23 tons of cement supplied by B.V.N. &Co., -do- -do-

P(210) Covering letter dated 11-6-1934 from B.V.N. & Co., for forwarding i sured amount of Rs.481-6-0. -do- -do-

P(211) Letter No.1048 dated 11-11-1933 from the Executive Engineer, No.V Canal Division, Mandya to Messrs B.V.N. & Co., Bangalore. -do- -do-

a Signature of Mr. Singri Iyengar for Executive Engineer - in Ext. P(21)) in the handwriting of the first accused. -do- -do-

P(212) Leave application submitted by the first accused on 22-11-34. -do- -do-

P(213) Attendance Register kept in the Office of the Executive Engineer, No. V Canal Division Mandya from August 1933 P.W.23 27-7-35.

a Entry dated 24-1-34 in Ext.P(213) containing the initials of the second accused. -do- -do-

P(213)b Entry dated 17-4-34 in Ext.P(213) containing the intials of the second accused. P.W.33 27-8-35.

c Entry dated 18-4-34 -do- -do- -do-

P(214) Attendence Register kept in the office of the Executive Engineer No.V Canal Division, Mandya from July 1934. -do- -do-

a Entry dated 20-9-34 containing the intials of the second accused. -do- -do-

P(215) Leave application for a day's casual leave on 20-9-34 by the second accused. -do- -do-

P(216) Prescribed form of Certificate to be attached to the Bills etc., i.e., final A - Form 53 M.C.A.C. Vo. I. -do- -do-

P(217) Duplicate Bill dated 19-6-34 for Rs.123/- issued by S. Gaudy &/Co., Bombay -do- -do-

P(218) Triplicate Bill No.B126 dated 28-6-34 issued to the Executive Engineer No.V Canal Division, Mandya. -do- -do-

P(219) Bill in recoupment of permanent advance of store- keeper R. Krishna Rao for the month of January 1934. -do- do-

a Entry in pencil made by P.W.33 Mr. A. Subba Rao in Ext. P(219). -do- -do-

b Initials of the second accused in Ex. P(219). -do- do-

P(220) Bill dated 31-3-1933 for Rs.206/- for 60 bags of cement from B.V.N. & Co., issued to the Mysore Bank on the Executive Engineer and passed by the accountant P.W.34. -do- -do-

P(221) -do- dated 24-4-33 for Rs.344/- for costs of 100 bags of cement -do- -do-

P(222) -do- dated 1-5-33 for Rs.638/- for 10 tons of cement -do- -do-

P(223) -do- dated 2-6-33 for Rs.344/- for 100 bags of 5 tons of cement -do- -do-

P(224) -do- dated 29-5-33 for Rs.688/- for 200 bags of 10 tons of cement -do- -do-

P(225) Letter dated 20-12-33 addressed to the Executive Engineer No. V Canal Division, Mandya for having sent Currency Notes and P/ stamps of the value of Rs.458-10-0 by Insured Post. -do- -do-

P(226) Letter No.256 dated 2-8-33 by the Executive Engineer to B.V.N. & Co., Bangalore City. -do- -do-

P(226)a The last portion in Ext.P(226) i.e., the words "The other Bills will be paid as early as possible." P.W.34. 30-7-35.

P(227) Bill dated 27-1-34 for Rs.730/- for costs of 200 bags of 10 tons of cement supplied by Messrs. B.V.N. & Co., -do- -do-

P(228) Bill dated 13-2-34 for Rs.730/- -do- -do-

a Pass Endorsement made by P.W.36 Mr. B. Rajiengar on the back of Ext.P(228). -do- -do-

b The date 10-3-34 put on the back of Ext.P(228) -do- -do-

c B.R. No. put on the back of Ext.P(228).

P(229) Bill in the duplicate dated 17-3-34 for Rs.730/- being the costs of 10 tons of 200 bags of cement supplied by Messrs. B.V.N. & Co. -do- -do-

P(230) Extract from the "Bills lodged for collection Register" kept in the Bank of Mysore Limited., Bangalore from 3-4-34 to 22-12-34.

P(231) Bill dated 3-5-34 for Rs.1457-8-0 being the costs of 22 tons of 440 bags of cement supplied by Messrs B.V.N. & Co., to the Executive Engineer No. VCanal Division. -do- -do-

P(232) -do- dated 25-6-34 for Rs.1857-10-0 being costs of 820 bags of cement -do- -do-

P(233) ~~xdnxxxxNoxSixSxxxdxiadxiSnSxSixxxxnxxxxxxxxxxxxxxxxxxdnxxxxxdax~~ Postalreceipt No.587 dated 3-4-34 for having sent a registered ~~R(234)xxxxdn~~-letter addressed to the Executive Engineer, Mandya, (by the Bank of Mysore, Bangalore.). -do- -do-

P(234) -do- No.313 dated 13-6-34 -do- -do- -do-

P(235) -do- No.503 dated 31-7-34 -do- -do- -do-

P(236) Bill dated 4-7-33 for Rs.638/- being the costs of 200 bags of cement supplied by the firm of Messrs. B.V.N & Co., to the Executive Engineer (Duplicate of Ext.P(263) -do- -do-

P(237) Letter No.850 dated 21-7-33 addressed to Messrs. B.V.N & Co., by the Executive Engineer No.V Division, Mandya requesting to send a Railway general Receipt. -do- -do-

P(238) Bill (Triplicate) dated 26-7-33 for supply of 200 bags of cement worth Rs.687-8-0 by Messrs. B.V.N. & Co., P.W.35 1-8-35.

P(239) Triplicate of the Bill No. dated 31-7-33 for supply of 200 bags of cement worth Rs.687-8-0 in two consignments dated 29-7-33 and 31-7-33. -do- -do-

P(240) Copy of a letter No.565 dated 29-30-9-33 addressed to the Bank of Mysore. Limited., Bangalore and copy of which sent to the firm of Messrs. B.V.N.& Co., Bangalore in No 566 dated 30-9-33. -do- -do-

P(241) Copy of a letter dated 2-10-33 addressed to the Executive Engineer No.V Canal and roject Division, Mysore by Messrs. B.V.N & Co., P.W.35. 1-8-35.

P(242) Mysore Railway - General Receipt dated 2-10-33 for Rs.54-14-0 paid as freight on 200 bags of cement despatched by Messrs. B.V.N & Co., Bangalore. -do- -do-

P(243) -do. dated 16-10-33 for Rs.54-14-0 paid as above. -do- -do-

P(244) -do- dated 31-10-33 for Rs.54-14-0 paid as above. -do- -do-

P(245) -do- dated 25-11-33 for Rs.54-14-0 paid as above. -do- -do-

P(246) Copy of a letter dated 12-12-1933 addressed to the Executive Engineer, Mandya by Messrs. B.V.N & Co., acknowledging receipt of Order No.1039 dated 11-12-33 for supply of 60 tons of cement. P.W.35. 1-8-35.

P(247) Receipt No.38 dated 21-12-33 for Rs.458-10-0 granted by the Executive Engineer's Office Mandya to Messrs. B.V.N & Co., Bangalore. -do- -do-

P(248) Letter No.625 dated 2-3-34 from the Executive Engineer, Irwin Canal Division, Mandya for supply of cement. -do- -do-

P(249) -do- No.1773 dated 14-3-34 -do- -do- -do-

P(250) Letter dated 31-3-34 from Messrs. B.V.N & Co., Bangalore addressed to the Executive Engineer No. V Canal Division Mandya enclosing Railway Receipt dated 27-3-34 for the despatch of cement. -do- -do-

P(251) Service card addressed to Messrs. B.V N & Co., from the Store-Keeper Irwin Canal Division, Mandya acknowledging the receipt of Railway Receipt referred to in Ext.P(250). -do- -do-

P(252) Copy of a letter dated 20-6-34 by the firm of Messrs. B.V.N & Co., to the Executive Engineer, acknowledging receipt of an order dated 16/18-6-34. -do- -do-

(253) Order dated 28-3-33 for supply of 60 bags of cement sent by the Executive Engineer to Messrs. B.V.N & Co., -do- -do-

P(254) Letter No.1695 dated 7-4-33 from the Executive Engineer to Messrs. B.V.N & Co., informing that the Bill dated 31-3-33 had been passed for Rs.206/- -do- -do-

P(255) Letter No.1763 dated 13-4-33 from the Executive Engineer to Messrs. B.V.N & Co., placing an order for supply of 300 bags of cement -do- -do-

P(256) -do- No.2076 dated 23/24-4-1934 -do- for supply of one wagon load of 22 tons of cement (or 440 bags). -do- -do-

P(257) Receipt No.98 dated 5-5-34 for Rs.458-10-0 granted by the Executive Engineer to Messrs. B.V.N & Co., Bangalore. -do- -do-

P(258) Order dated 26-5-34 sent by the Executive Engineer, Irwin Canal Division to B.V.N & Co., for supply of 2 wagons of cement -do- -do-

(259) Letter dated 4-6-1934 from the firm of Messrs. B.V.N & Co., Bangalore to the Executive Engineer informing supply of one wagon of cement. -do- -do-

P(260) Letter dated 5-6-1934 from Messrs. B.V.N & Co., to the Executive Engineer No.V Canal Division, Mandya with a remittance of Rs.481-6-0 sent by Insured Post.

P(261) Receipt No.12 dated 6-6-34 for Rs.481-6-0 granted by the Executive Engineer to B.V.N & Co. -do- -do-

P(262) -do- receipt No.17 dated 12-6-34 granted by the Executive Engineer to Messrs. B.V.N & Co., Bangalore. -do- -do-

P(263) Receipt dated 13-11-33 granted by K.R. Sreenivasan for Messrs B.V.N & Co., to the Executive Engineer No.V Canal Division, Mandya for Rs.638/- -do- -do-

P(264) Postal acknowledgment receipt singed by K.R. Sreenivasan on 13-11-33 for a letter sent by Register Post by the Executive Engineer's Office No. V Canal Division, Mandya. -do- -do-

P(265) Money Order acknowledgment receipt for Rs.3/- addressed to Messrs. B.V N & Co., by the Executive Engineer No.V Canal Division, Mandya. -do- -do-

(266) Postal receipt No.1 8 dated (date not legible) obtained by Messrs. B.V.N & Co., for having sent an Insured letter to the Executive Engineer. -do- -do-

(267) -do- No.545 -do- -do- -do-

(268) Bill receipt Register kept in the Executive Engineer's Office from 2-3-34 to 31-8-34. P.W.36 2-8-35

(268)a Entry dated 10-3-34 in Ext.P(268) showing receipt of 10 tons of cement from B.V.N & Co. -do- -do-

b -do- 10-3-34 -do- -do- -do-

(269) Daily receipt of stock register kept in the Office of the Irwin Canal Division Mandya from Febtuary 1934. -do- -do-

a Entry dated 20-2-34 showing receipt of 10 tons or 200 bags of of cement from B.V.N & Co. -do- -do-

P(269)b Remarks made in Co.20 made by P.W.36 stating that "(a) sent to Controller on 12-3-34 for payment. P.W.36. 2-8-35.

c The words checked and intials of the second accused with date 8-3-34 in Ext.P(269). -do- -do-

d Entry dated 29-2-34 showing the receipt of 10 tons of 200 bags of cement from B.V.N & Co.-do- -do-

e Entry dated 9-5-34 showing the receipt of 440 bags of cement from B.V.N & Co. -do- -do-

f Endorsement initialled by P.W.36 by B.G. Rajlengar in Ext.P(269)f (for July 1934) with date 6-8-34. -do- -do-

g Entries made by P.W.36 in Ext.P(269) relating to P(269)a -do- 3-8-35.

h Endorsement i.e., "Taken by Mulkere Sub-division and initial of the second accused in P(269) for March 1934. -do- -do-

P(270) Measurement book for entering T and P and stock articles etc., of Divisonal stores, Mandya. -do- 2-8-35.

a Entry in page 22 of Ext-P(270) showing supply of 200 bags from B.V. & Co. Bangalore on 20-2-34.-do- -do-

b -do- in page 21 showing the supply of 200 bags from B.V.N & Co., on 28-1-34. -do- -do-

c -do- in page 25 showing the supply of 22 tons of cement from B.V.N Co. as per bill dated 3-5-34. -do- -do-

d -do- in page 29 showing the supply of 41 or 820 bags of cement from B.V. Co., as per Bill dated 25-6-34. -do- -do-

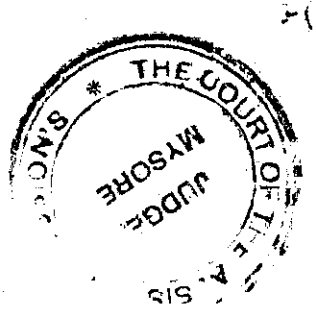
e -do- in page 19 showing the supply of 22 tons or 440 bags of cement from B.V.N & Co., as per bill dated 24-12-33. -do- -do-

f -do- in page 24 showing the supply of 22 tons of cement from B.V.N & Co., dated and initialled on 20-4-34. -do- -do-

P(271) Daily receipt register of stock containing the entries from 30-6-32 to 26-1-34. -do- -do-

a Entry dated 24-12-33 showing the supply of 22 tons or 440 bags of cement from B.V.N & Co., in Ext.P(271) January 1934. -do- -do-

b The words "Cheed" and intials of the second accused with date 5-2-34 in Ext-P(271)(January 1934) -do- -do-



P(271) c The words "Included after being pointed out" written and initialled by P.W.36 in Ext.P(271) (January 1934). P.W.36. 3-8-35.

d Entries in Ext-P(271) for January 1933 which contains the intials the second accused with dated 31-1-33. -do- -do-

e Entries in Ext-P(271) from February 1933 in the handwriting of first accused. -do- -do-

f Entries in Ext.P(271) for March 1933 made by first accused and intialled by the second accused. -do- -do-

P(272) Register of daily issues of stock from July 1932 to end of March 1933 kept in the office of No.V Irwin Canal Division, Mandya. -do- 2-8-35.

P(273) -do- from April 1933 to February 1934. -do- -do-

P(274) -do- from March 1934 to end of September 1934 -do- -do-

P(275) Form (Roll Works Serial No.163(a) attached to the Will Ext-P(227 -do- -do-

P(276) Receipt No.56 dated 23-9-34 granted by the Executive Engineer Irwin Canal Division, Mandya to P. Krishna Rao Store Keeper for Rs.300/- being the value of cement bags found short in the stores. -do- -do-

P(277) Monthly return of stock account cement - or account of value of receipts and issues of stock in the Irwin Canal Division for the month July 1934. -do- -do-

P(277)a Entry in Ext.P(277) showing the value of cement paid to B.V.N & Co., i.e., Rs.1857-10-0 -do- -do-

b Initials of the second accused with date 8-8-34 in the last portion of Ext-P(277) -do- -do-

P(278) A form Register of Tools and Plant of stock from July 1933 to end of December 1933 -do- -do-

a Entry showing 655 13/24 bags of cement as opening balance for December 1933 -do- -do-

b -do- 551 for the head quarter Division as mentioned in Ext.P(278). -do- -do-

P(279) Register showing balance return of stock for the half year ending December 1933 - relating to Irwin Canal Division, Mandya. -do- -do-

a Entry showing the balance of cement bags for the half year as per return -do- -do-

b -do- -do- as counted in Col.19. -do- -do-

P(280) Statement showing the differences between the counting and book balances under stock for the Half year ending 31st December 1933. -do- -do-

P(280)a The word "Correct" in writing in Column of Remarks against item 3 cement bags. P.W.36. 2-8-35.

b The words in the handwriting of second accused in Colun of Remarks against item 21 by P.W.38 7-8-35.

c -do- -do- -do- -do-

P(281) Account of daily receipt of stock blank form on which 13 bits of papers pasted and produced by the prosecution on 3-8-35. by P.W.36 3-8-35.

P(282) Office copy of the stock account cement for the month of January 1934 -do- -do-

a Entry in Ext-P(282) relating to the supply of cement by Messrs. B.V.N & Co., by means of a bill -do- -do-

P(283) A form register of stock articles from January 1934 to January 1935. -do- -do-

a Entries in Ext P(283) relating to March 1934. -do- -do-

P(284) Memo in the handwriting of P.W.36 B.G. Rajiengar relating to requirement of cement, which is initialled by the first accused and dated by him as 1-4-34. -do- -do-

P(285) Imprest cash sheet of the store-keeper Irwin Canal Division for June 1934 -do- -do-

a Initials of the second accused in Ext-P(285). -do- -do-

P(286) Stock account current for June 1934 for June 1934 kept in the Irwin Canal Division. -do- -do-

P(287) Memo dated 9-7-34 put up by the second accused as regards the balances of stock to be got ready. -do- -do-

P(288) Balance return of stock for the Half year ending 30 th June 1934 -do- -do-

P(289) Balance return of stock articles as per A Form for the Half year ending 30th June 1934. -do- -do-

P(289)a Entry - 1397½ - as balance of the Head Qurter Division on 30-6-34. -do- -do-

P(290) Statement showing the difference of stock balance between the counted figures and the "A" form balances for the Half year ending 30 th June 1934 which was prepared by P.W.36 B.G. Rajiengar. -do- -do-

a Entries made by P.W.36 against item 3 cement in Ext.P(290). -do- -do-

b The words "Costs adjusted in July 1934" in the handwriting of the second accused against item 3 cement in Ext.P(290). -do- -do-

P(291) Office draft of a letter put up by P.W.36 when submitting the original of the statement Ext-P(290). P.W.36. 3-8-35.

P(292) Attendance Register from July 1931 to July 1933. P.W.38. 7-8-35.

P(293) Office copy of the covering letter dated 14-2-34 forwarding the Half yearly counting Certificate of stock for the period ending 31-12-33 sent up by the second accused. -do- -do-

P(294) Office copy of the indent for supply of two wagons of cement sent on 25/26-5-34. -do- -do-

a The words " The R.R. may be sent paid" in the handwriting of the second accused. -do- -do-

b Initials of the second accused with date 25-5-34 in Ext.P(294).

P(295) Memo dated 1-3-1934 from the Assistant Engineer Sri. M.C. Sampath Iyengar. -do- -do-

a Portion in the handwriting of the first accused in Ext.P(295). -do- -do-

b -do- -do- -do- -do-

P(296) Letter No.14635 dated 24-3-34 from the Manager of the Mysore Bank, Ltd., Bangalore to the Executive Engineer, N.V Canal Division, -do- -do-

P(297)A Letter in the handwriting of the first accused torn and pasted on a paper (no date). by P.W.38. 7-8-35.

P(298) Receipt dated 1-4-33 granted by Ramaseety for receiving cart-hire of Rs.3-4-0 from the store-keeper No.V Canal Division. P.W.39 8-8

P(299) -do- dated 3-5-33 by Sultan for Rs.7-8-0 -do- -do-

P(300) -do- 1-6-33 by Nathaiyya -do- -do- -do-

P(301) -do- 3-6-33 -do- -do- -do-

P(302) -do- 3-6-33 by Hosahalli Kulliah -do- -do-

P(303) -do- 21-6-33 -do- -do- -do-

P(304) -do- 12-7-33 by Syed Sultan -do- -do-

P(305) -do- 12-8-33 -do- Adam Sab -do- -do-

P(306) -do- 7-2-34 by Hosahalli Kulliah -do- -do-

P(307) -do- 8-2-34 by Hosahalli Channiah -do- -do-

P(308) -do- 2-3-34 by Boriah for Rs.2-8-0 -do- -do-

P(309) -do- 3-3-34 by Kalayya for Rs.7-8-0 -do- -do-

P(310) -do- 9-4-34 by Ligiah for Rs.2-8-0 -do- -do-

P(311) Receipt dated 9-4-34 by Sheik Davood for Rs.16-8-0
P.W.39. 8-8-35.

P(312) -do- dated 9-5-34 by Kallahalli Lingiah for Rs.2-8-0
-do- -do-

P(313) -do- dated 10-5-34 by Sheik Davood for Rs.16-8-0.
-do- -do-

P(314) Hand Receipt dated 6-6-34 granted by Kallahalli Venkatappa for Rs.2-8-0 to the Sore-keeper Irwin Canal Division, Mandya.
-do- -do-

P(315) -do- dated 6-6-34 for Syed Ameer for Rs.17-4-0
-do- -do-

P(316) -do- dated 20-6-34 by Kallahalli Chamaiah for Rs.2-8-0
-do- -do-

P(317) -do- dated 20-6-34 by Sheik Davood for Rs.17-4-0
-do- -do-

P(318) -do- dated 27-6-34 by Kallahalli Chamaiah for Rs.5/-
-do- -do-

P(319) -do- dated 27-6-34 by Syed Ameer for Rs.16-8-0.
-do- -do-

P(320) -do- dated 27-6-34 by Syed Ameer for Rs.14-4-0
-do- -do-

P(321) Letter No.689 dated 23-9-34 from the Executive Engineer Irwin Canal Division Mandya to the Police Inspector Mandya to take action re: Misappropriation of cement bags by K. Krishna Rao P.W.40 8-8-35.

P(322) To. Register - Comptroller - kept in the Executive Engineer's Office from 6-7-32 to 27-2-35.
P.W.41 9-8-35.

a Entry No.328 dated 26-3-34 for despatch of Bills of Messrs. B.V.K. Co., for Rs.1460/- for supply of 20 tons of cement.
-do- -do-

(323) Memo No.328 dated 26-3-33 explaining to the Comptroller the circumstances under which the rate approve less than a waggon load claimed by the firm -do- -do-

P(324) Reply dated 17-4-1934 written by Mr. A. Subba Rao(P.W.41) explaining the objection taken by the Comptroller.
-do- -do-

a Memo No.2022 dated 12-4-34 put up by the second accused and signed by the Executive Engineer and on which the reply Ext.324 is written -do-- -do-

P(324)b | Portion in the handwriting of first accused in the body of the
P(324)c | Memo Ext.P(324)a. by P.W.41 2-8-35.

P(324)d Memo No. and date put in red ink on the top of the paper containing the Memo marked Ext.P(324)a. -do- -do-

P(325) Petition without date and signature addressed by Post to the Executive Engineer Irwin Canal Division, Mandya. -do- -do-

a Postal envelope which contained Ext-P(325). -do- -do-

P(326) Petition without date - addressed to the Chief Engineer, Mysore by Venkata Narasimhachari. -do- -do-

a Postal envelope relating to Ext.P(326). -do- -do-

P(327) Letter No.2223 dated 12-4-34 from Messrs. [illegible] & Co., Limited., Howrah to the Executive Engineer, forwarding a bill (D.34). -do- -do-

P(328) Deposition of K. Ramaiah examined as P.W.25 before the Committing Magistrate's Court - recorded on 21-3-35. By the Prosecution. 17-8-35

P(329) Statement of the first accused R. Krishna Rao before the Committing Magistrate's Court - recorded on 31-3-35. -do- -do-

P(330) -do- -do- recorded on 23-3-35 -do- -do-

P(331) -do- -do- recorded on 24-3-35 -do- -do-

P(332) Statement of the second accused H. Singri Iyengar - before the Committing Magistrate's Court recorded on 21-3-35. -do- -do-

P(333) -do- -do- recorded on 24-3-35 -do- -do-

DGM/

Report of the Dy. Chief Engineer of Mysore on the Mis-
appropriation of Cement in the Irwin canal Division, Mandya
No. 13/S. 10[illegible]
Extracts of paragraphs 20-28 are forwarded with
compliments to the Comptroller of Mysore for favour of his views.
2.10.35 Sd. Bala Krishna Rao
for Chief Engineer,
M. R. S.

Strictly Confidential.

Misappropriation of cement in the Irwin Canal Division, Mandya.

x x x x

Mr. M. Singriengar.

20. He was the Accountant and Manager of the Office from 2nd January 1932 until he was arrested by the Police on 11th October ~~&~~ 1934. This official has put in 21 years of service and was drawing a salary of ₹100/-. Under the Rules of the P.W.Account Code, the Accountant who is posted to the Division by the Comptroller of Mysore is the Manager of the Executive Engineer's Office and is responsible for the management of the office. His functions are three-fold:-

(1) As Accountant he is responsible for the compilation of the accounts of the Division in accordance with the prescribed rules:-

(2) As primary Auditor, representing the Audit Department, he is charged with the responsibility of ~~a~~supplying ~~preliminary~~ primary checks to the initial accounts, vouchers, etc., and

(3) As Financial Assistant, he must generally assist and advise the Executive Engineer in all matters relating to the accounts, budget an estimates and operation of financial rules.

21. The Accountant has also got a special responsibility to bring to the notice of the higher authorities and to the Comptroller any objection on the orders passed by the Executive Engineer, if he thinks that such orders are not consistent with the Code Rules or Government Orders.

22. By virtue of the position held by him as head

of

of the Executive Engineer's Office Establishment, no paper even on matters not pertaining to accounts should pass to the Executive Engineer without his knowledge.

23. The Accountant passed the cement indents as a matter of course without satisfying himself whether the balance on hand mentioned by the Store-Keeper taiifi tallied with the book balance in the 'A' form register. The prompt posting of this register was not also insisted upon. He has failed to bring to the notice of the Executive Engineer the omission ~~to~~ of the Store-keeper to bring to account the 820 bags of cement purchased in June 1934 and paid for in July 1934 until the 'A' Form Register was got posted in September 34. The certificate made by the Accountant while passing the bill for payment viz., "The articles taken to stock" was therefore, meaningless and it misguided the Executive Engineer. Mr.Singra Iyengar has audited and passed for payment as many as 8 bills aggregating R3,151-2-0 all against the bogus indents. There is also one more bill for R344/- against a bogus indent, which must have been passed by himon 23-8-1933 as he was on duty that day. But this could not be verified from the records available with the Executive Engineer. If he had taken the trouble to compare the bills with the indents, he would have certainly not passed any one of these bills, and the fraud could have been detected as early as in June 1933 alone. It was noticed that the Accountant has not checked the 'A' Form Register from January 1933 to June 1933 and again in November and December 1933. There was also no proper scrutiny over the indents complied with by the Store-keeper and such imperfect indents were being admitted in the primary audit. Since the Assistant Comptroller

himself

himself has stated in his report that the Accountant has been negligent in his duties, I have no more to add.

24. The Accountant is the only authorised person to receive the registered and insured letters addressed to the Executive Engineer. As disclosed from the Police investigation, the Store-keeper has received in the course of 18 months as many as 35 registered and insured letters addressed to the Executive Engineer. It is strange that the Accountant did not question this action of the Store-keeper and allowed him to go his own way. Next comes the point of omission on the part of the Accountant to advise Messrs. N. Subba Rao and C.T.Narasimha Iyengar during transfer of charge that the Code Rule require that the Tools and Plant and Stock articles should be counted and made over personally by Mr. N. Subba Rao to the relieving officer Mr. C.T.Narasimha Iyengar. It is now reported that the office copy of the transfer papers bear no initials of Mr.Singra Iyengar, Accountant. It is inconcievable that he did not peruse this important document. These facts confirm the view that the omission was deliberate.

25. As opined by the Financial Assistant Mr. Singra Iyengar has been negligent in his duties and things were let loose. The Accountant is also stated to have admitted his slackness in the presence of the Financial Assistant and it is not known if any written explanation was taken from him. Had he been careful in his duties, the very first false bill would have been discovered and all the frauds prevented. This official is how an accused in the case.

p.t.o.

Mr.C.Srinivasa Murthi, Accounts Clerk.

26. This official was working in the Division Office from 29th July 1931 to 31st December 1933 when he was transferred to the Comptroller's Office. During his service at Mandya, he was maintaining the 'A' Form Register, verifying the stock accounts and auditing the bills received from firms for payment. It is seen that he has audited 3 bills aggregating Rs.1,720/- against bogus indents and he as a primary auditor, failed in his duties to detect the fraud. Had he compared the bills received for payment with the indent or purchase order, the very first item of the series of fraudulent bills passed by him could have been detected so far back as June 1933 alone. Even the audit of the store accounts maintained by the Store-keeper was in a perfunctory manner. Instances were not wanting in which there were no traces of check. Owing to lack of sufficient check by Mr. C. Srinivasa Murthi over the accounts maintained by the Store-keeper, the latter was encouraged to carry on his trade in the name of Government. Mr. C.Srinivasa Murthi has failed in his duties as aprimary auditor and the elementary rules of audit have been lost sight of.

Mr.C.B.Gundu Rao, Accounts Clerk.

27. This official has been working in the Division since January 1934. During his time, he has audited one bill for Rs.1,467-8-0 against a bogus indent during Jany. 193-. If he had verified the bill with the purchase order surely the fraud could have been detected by him. Like other officials he was also careless in his duties with the result that this bill was also passed for payment as a matter of course.

p.t.o.

Mr.B.G.Rajienger, Accounts Clerk.

28. This official joined the Division on 8th Febry. 1934 and was put in charge of Store Accounts. His duties connected with Store Accounts and bills are:-

(1) Verification of indents,

(2) Audit of bills for articles received

(3) Compilation of monthly and periodical accounts of tools and plant and stock articles.

(4) Audit of accounts of daily receipts and issues maintained by the Store-keeper

(5) Posting of 'A' Form Register

As an official of the Audit Department he is primarily responsible for the day to day audit of the initial accounts of the stores transactions. Had he performed his duties regularly and consistently, the fraud would have been detected by him. His work in the audit of bills, etc., has been so consistently careless as to amount to gross carelessness. He has admitted in his explanation that the original indents or purchase orders were not looked into when checking the bills of firms received for payment. He has also stated that he would pass bills without verification on the words of the Store-keeper. This tantamounts to non-observance of his legitimate duties as an auditor who has been posted to the Division for auditing the initial accounts. During his regime he has audited three bills aggregating Rs3,317-10-0 against the bogus indents without verifying the bills with the purchase orders. There was also considerable delay on his part in the posting of the "A" Form Register for July and August 1934 which was done about the 24th September 1934. This official has since been transferred by the Comptroller of Mysore out of the Division to Comptroller's Office.

x x x

24th Jan.1935

Sd/- N.Sarabhoja,
Deputy Chief Engineer of Mysore
(Krishnaraja Sagara Works).

Copy.

U.O.No.1298 dated 9th April 1936.

Returned with compliments.

2. I have separately received an Un-official File from the Financial Secretary calling for my views in regard to the responsibility of the Accountant for such omissions and actions as may be disclosed with case. In that file I propose to deal with the responsibility of the Divisional Accounts Staff and to communicate my views to the Finance Department as regards action proposed to be taken. I have therefore here confined myself to an expression of my views on the specific points raised in the Inspection Report of the Deputy Chief Engineer.

3. The extracts from the Deputy Chief Engineer's Report sent to me relate only to the Accounts Staff. As the full report has not been sent to me I have not been able to know what exactly the irregularities are on the executive side and cannot say therefore with certainty whether those irregularities are not such as may somehow lead to less vigilence on the account side and if so to what extent account checks have to be strengthened to provide for such executive defects to be brought promptly to notice of the Executive Administrative Authorities and also reported to myself.

4. Mr.M.Singriengar.

His explanations on the several points raised against him are enclosed.

(a) Paras 20 and 21 of the Deputy Chief

Engineer's

Engineer's report.

While the Divisional Accountant is no doubt responsible for the functions enumerated in paras 20 and 21 of the Deputy Chief Engineer's Report, he is but a subordinate of the Executive Engineer. As the primary disbursing officer, the Executive Engineer is responsible not only for the financial regularity of the transactions of the whole Division but also for the maintenance of the accounts of the transactions correctly in accordance with the prescribed rules. (Para 659 Mysore Public Works Account Code). Para 667 of the same Code further makes the Executive Engineer responsible for the correctness in all respects of the original records of Cash and Stores or receipts and expenditure and for seeing that complete vouchers are obtained. The Divisional Accountnant is responsible to the Executive Engineer for the correct compilation of the accounts of the Division from the date supplied to him. It will thus be seen that the responsibility of the Executive Engineer is greater than that of his Divisional Accountant, and that the functions of the Accountant are strictly limited to an examination of the validity of the claims on the basis of the facts and the original records of the Cash and Stores made available to him duly certified by the responsible Executive Officers.

(b) Para 22 of the Deputy Chief Engineer's Report.

Para 662 of the Mysore P.W.Account Code lays down that the Accountant should be treated as the Head of the Executive Engineer's Office Establishment. By

virtue

virtue of this position no paper even on matters not pertaining to accounts should pass to the Executive Engineer without the Accountant's knowledge. But the practice in this division is explained to have been contrary to the above principles. It is explained that the Executive Engineer permitted drafts and memos (including those relating to Cement Indents) to be sent to him direct without the intervention of the Accountant- The Divisional Accountant who has no disciplinary powers over the members of the office cannot be expected to exercise any useful supervision on behalf of the Executive Engineer if the latter himself permits other members to put up papers direct to him. The Department may issue a circular to all the Divisional Officers in regard to the strict adherence to the prescribed procedure in para 662 of the Mysore Public Works Account Code.

Para 23 of the Deputy Chief Engineer's Report

The Accountant's explanation deals in detail with the several issues touched upon by the Deputy Chief Engineer. I am of the view that it is the dut of the Executive to scrutinise the balances of stoc from time to time and to gauge the requirements of the stock with reference to the several works in progress and to place indents therefor as required. The responsibility for the physical verification of the stock received at the Stores and the stock certificate recorded on the bills is purely the func-

tion

function of the Executive. The Accounts Staff have no part in either of the functions or the preparation of the certificates. The Accountant explains that with the exception of one indent in May 1934 which is stated to have been in order, the other indents did not pass through him. There was therefore no opportunity for him to entertain a reasonable suspicion in regard to the indents. The procedure of comparing bills with the original indents is not laid down in our code. Further it is stated that all the bills bore the requisite stock certificates in token of the correct receipt of the stock in the Stores and the validity of the claim. It is also stated that the quantities of cement represented by the bills referred to have been duly entered both in the register of daily receipts and in the Measurement Books. In the circumstances, the Divisional Accountant may be taken to have exercised the preliminary audit required of him with reference to the data and the original records of the Stores made available to him. The non-verification of bills with the office copies of indents for supplies cannot be treated as an omission on his part as the more important requirements for preliminary audit were there and audit was conducted on that basis.

Para 24 of the Deputy Chief Engineer's Report.

Receipt of Registered and Insured Lettons.

The position has been explained by the Accountant. It is a matter purely for administration and does not involve any account procedure or principles.

The Store-keeper is an executive subordinate of the Executive Engineer who could have taken action to see that the Store-keeper did not receive any registered or insured letters.

Transfer of charge and the omission of Certificate of counting and the handing over of charge of tools and plant.

The Accountant is stated to have been on leave when the transfer of charge took place. A Divisional Accountant has normally no scrutiny of the transfer reports of the Executive Engineers and is not require by any code rule to examine them at any stage. It is however inexplicable how experienced Executive Engineers should have lost sight of practically the most important item in a charge report.

Para 25 of the Deputy Chief Engineer's Report.

The Accountant has been acquitted of the charges framed against him.

5 Mr.C.Srinivasa Murthy, Accounts Clerk.

Para 26 of the Deputy Chief Engineer's Report.

The explanation of this official is enclosed. It is stated that the bills used to go to him with the stock certificate recorded on them and after entry in Measurement Books. As such the scope of his check is almost the same as has been observed in the case of the Accountant.

6 Mr. C.B.Gundu Rao, Accounts Clerk.

Para 27 of the Deputy Chief Engineer's report.

He also represents that it was not the practice

or

or the rule in the Division to look into the original indent at the time of auditing the bill. (Vide remarks against para 23 above).

7 Mr.B.G.Rajlenger, Accounts Clerk.

~~At~~ As the points noted in this para have already been dealt with in connection with the responsibilities of the Accountant no further remarks are called for.

Sd. A. N. Raghavachar.
Comptroller.

Copy.

MSR

for Comptroller

11.4.36

WD 697—GPB—20,000—12-7-35

Form No. 25]

29972

MYSORE POLICE DEPARTMENT.

In reply, please quote number, date and short title.*

Received.....*Registered*.....

From (name) The Inspector General of Police

(Designation) in Mysore, Bangalore.

Post Box.....(Station).....

Telegraphic Address .....

The Comptroller to Government,

To Bangalore.

No. C2-275/34-35, *dated*.....11th November...*193*5.

SIR,

Enclosures .....

.....One.....

.....

Spare copies.....

* With reference to your Number 468/E.S. dated 30-9-35 asking for certain information on the observations made in the judgment of Mandya Defalcation Case, I have the honour to enclose herewith a copy of letter from Mr.G.K. Madhava Rao who was Dist. Superintendent of Police at the time and who later helped the Special Public Prosecutor in the conduct of case. ~~AxEEEyxxEfxxxixxxEttEx~~

I have the honour to be,
Sir,
Your most obedient servant,

For Inspector General of Police.

Submitted with p.p. for perusal & orders.

P.T.O. 14.11.35

Subs & Compln for information. Copy of his letter to Mr. Srinivasaraya with the statement on portions marked A & B in his letter. G.K. Madhavarao's letter marked A & C

are covered by his explanation
already furnished
in previous notes and
calls for no action by
this Office

Compton 15/11/55

Yes. Obtain his explanation

15.11.55

Copy of letter No.G.C.653/35 dated 7th November 35 from the District Superintendent of Police, Mysore District to the Inspector General of Police in Mysore, Bangalore.

With reference to your Memo No.C2.275/34-35 dated 2-10-35, I Have the honour to state as follows:-

As regards the account irregularities referred to by the Judge, I beg to state that -

A 1. The Accountant has got two functions combined in him, i.e. He is the manager of the office and in terms of the P.W.D. Code, the head of the Ministerial Establishment of the Executive Engineer and he is the accountant and financial adviser of the Executive Engineer. As such if there were any mistakes in the office routine or accounts, it was his duty to take steps to rectify them.

2. In the matter of half-yearly return for December 1933, according to the register of daily receipts and paid bills etc, 440 bags of cement were received on 21-12-33 on the bogus indent No.1039/11-12-33. Intimation from the firm in this connection was received on 21-12-33 and the accountant was aware of it through correspondence. On 31-12-33 the half-yearly counting took place of the cement bags and the officer who counted the balance found only 475 bags and nothing more. According to the "A" form Register on 31-12-33 there should have been only 475 bags. The Accountant accepted this and sent the return. He has repeated the same mistake even in submitting the statement of differences for that half year.

The principle of adopting the figures for half-yearly counting was admitted by the Assistant Comptroller and the Superintendent, Comptroller's office, that if the accounts of the month (December) are closed on a particular day before the last day of the month and the actual date of counting is later than that date, the transactions between those two dates should also be taken into consideration while striking the book balance on the date of actual counting. In that month, the accounts were closed on 23-12-33. The consignment of 440 bags was received on 24-12-33. The date of counting was 31-12-33. So, on the above said principle, the book balance on the evening of 23-12-33 was 475 bags, on 24-12-33 they got 440 bags. There were no issues in the middle between 23-12-33 and 31-12-33. Hence the book balance for the purposes of counting should have been 915 bags of cement. The book balance furnished by the accounts branch and the Store Keeper was not 915 but only 475; so the actual counting balance should have been 915. But the actual counting balance on 31-12-33 was only 475 bag It is evident that the receipt of 440 bags on 24-12-33 was never taken into account at all before 31-12-33. This was to hoodwink the counting officers.

If the actual counting balance was 915 and they had deducted 440 bags out of that and taken 475 bags as the balance on 23-12-33 and shown the difference in the remarks column and explained the cause of difference, there would have been no objection. But this receipt of 440 bags is deliberately hushed up in the accounts and never made a mention of it either in the half yearly counting certificate or in the half yearly return of stock or the statement of differences.

A similar irregularity was committed in the accounts in June 1934 as well.

2. While auditing the bills of the firms, the indents placed with the firm were never referred to. This is pointed out by the Comptroller

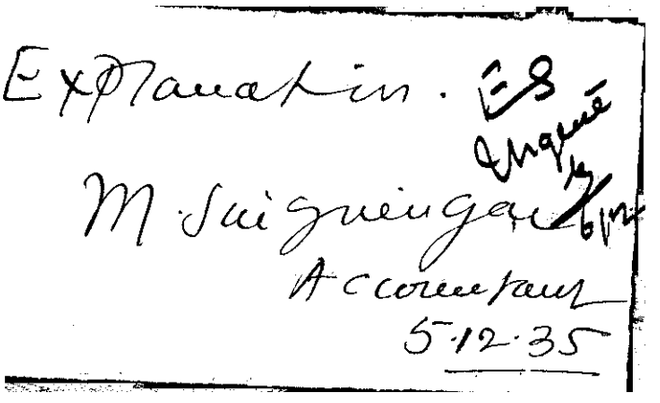
3. When the above irregularities were going on in the office, he failed to notice them, but passed them without a word or objection.

These irregularities and others pointed out by the audit office were brought to the notice of the judge.

As regards the next point, I presume, the Judge had in his mind that though he did not abet the misappropriation of cement bags by (Accused1) Krishna Rao, he had abetted the falsification of accounts. The judge could have taken action on the evidence available for that and disposed of the case on its merits.

For Inspector General of Police.

AV.


Explanation. ES
Enquête
M. Suiguengar
Accountant
5-12-35

Copy of letter No G.C. 653/35 dt 7.11.1935 from the District Superintendent of Police, Mysore District to the Inspector General of Police at Mysore, Bangalore

With reference to the above, forwarded with Comp. Wallis's No 648/E.S. Confidential dt 16.11.1935 for explanations on points marked "B" & "C".

I beg to submit the explanation as follows.

(B) The statement of the D.S.P that 440 bags of cement were received on 21.12.1933 on the bogus indent 1039 is false. Likewise, the statement 11.12.33 that the Accountant was aware of the receipt of the consignment on 21.12.1933 through Correspondence is equally false.

It is true that according to the A Form Register, at the end of December 1933, the book balance was 475 bags and that there is nothing wrong in the returns sent to Comptroller embodying these figures, in the balance returns of stores for that half year. There is no mistake in the preparation of the statement of differences for that half year. The correctness of these returns is admitted by the Superintendent of the Comptroller's office in

his evidence which runs as follows:—

"The figure shown in the "half yearly return (Ex P279) "for December 1933 as far as "cement bags are concerned are "Cement. Exhibit P280, which is "a statement of difference "(relating to December 1933 "also contains Cement figures "as regards Cement bags."

The Principles stated to have been admitted by the Superintendent & Assistant Comptroller are noted below from the true copy of the deposition of the Cashier. The version of the D.S.P is not right. The Superintendent of the Comptroller's Office has stated "The book balance shown in the half yearly returns will be the figure as found on the date of the closing of the Accounts". The Asst Comptroller has stated as under "The Divisional as well as the "Sub-Divisional stores Accounts "will be closed a few days "prior to the end of the month "for preparing the returns. If the Accounts of the Stores are closed on the 23rd December

"the Accounts for the half year ending that December will be the Accounts as stood on the 23rd December. No transaction that takes place subsequently to that date will be taken into account for compiling the half yearly accounts ending with that month, but will be taken into account in the Accounts relating to the following half year. Even then the said half yearly returns will be called the half yearly return ending 31st December Column 18 and 19 in the half yearly register (Exp 279) relate to Accounts of the same period, but not to different periods."

Articles 364 read with 667 of the Mys. P.W. Account code clearly defines the responsibility of the Executive Engineer in the matter of maintaining the greatest possible accuracy in the Abstract returns and he is the officer that is responsible for the correctness of the original records & Entries. The code further requires that the Exe: Engineer should make such an arrangement at the

time of Counting, as are calculated to secure the correct results in furnishing Counted balances against book balances. Art 403 requires the Accountant to price the store articles in accordance with the rules and see that stocks are taken periodically by responsible officers. Where during the local audit prior Divisional officers the Conditions laid down are to this effect. There was a Special Store Accounts clerk to maintain the Store Accounts in the Division and I have exercised as much check as possible. I never attempted to hood wink the Counting officer as I had nothing to do with the Counting and the Counting officers.

The consignment 440 bags received at the Store after the closing the accounts for Dec 1933, was taken to the account by the subsequent monthly in January 1934 & it is in accordance with what the Asst Comptroller has above remarked. The Exp. Engineer who had endorsed the Counted

Railway receipt and had knowledge of the receipt of the consignment should have exercised the check on 31.12.1933 during his verification of the Cement. But his Exe: Engineer has flatly denied that he did not Count the Cement bags on 31-12-33 though he has certified so in the Cement certificate. And it relies on the certificates of officers. Such actions on the part of the officers, we cannot the store Keeper to Commit the fraud.

The suppositions and Comments of the D.S.P that the receipt of the 4440 bags is deliberately hushed up in the Accounts are untenable in the light of evidence quoted above of the Superintendent Asst. Engineer. Another Executive Engineer who Conducted the Cement relating to June 1934 admits having done so after verifying the accuracy of the Measurements relating to Cement bills on the date of his Checking and so no further Comment is needed here. It may also be added

that there is no register in the Divisional Office to show the day to day transaction and the resultant balance after each transaction so as to make the book balance readily available. There are 7 Volumes of Fire Registers comprising of 700 items nearly of stores & are equally numbers if not more of Tools & Plant articles. At the time of compiling the above Account, as much care as possible, has been exercised by me to supervise the elaborate process of compilation by the Accounts Clerk who is specially intended for it.

Regarding this observation, I have already submitted my explanation on 9.9.35 to the objection of the Comptroller in Para 1 of the Special Audit report and the same is reproduced below for ready information.

11 The bills for cement purchases were being passed with reference to S.P.C. sanctioned local indents for the concerned year. An Office copy of the order

placed with the Divn is not
an initial record of a Divnal
office as the same is not
mentioned in para 256 of
Vol IV part 2 of Mys PW Code
where the initial records
a Divnal office are enumerated
so far as I recollect it is.
No where laid down that a
Divn bill & supply of plus
should be checked with the
office copy of the order placed
with the Divn by the Accounts
Staff. There are neither departmental instructions, nor is it
the practice in the Divisions.

This has also been
explained in the reply to
para 23 of the Dy Chief Engineer
report the concluding portion
of which runs as follows:—
"The remark of the Deputy
Chief Engineer (Supdg. Engineer)
is not warranted by the
practice prevailing in the Divn
The Compilers Circular issued
in Feb 1935 to all the Divns
shows that non-verification
of the bills with the office
copy of the order placed with
the Divn was a common
feature in the Divisions &
that there was no pointed

Omissions on my part

" " " "
D + E

Though, no explanation has been called for on these points, yet I venture to submit a few lines for kind information.

The Judge has pointed out in his judgment that the system of fraud committed did not require any comment on the method of submitting the false accounts which went apart from the division. He has observed in para II" In view of the Modus "Operandi, adopted in the commission "of specific acts of embezzlement "which which we are concerned at "present i.e the Cement bags booked direct from the Railway station without being brought to the store will be of material importance, the evidence relating to the accounts of stores has no direct bearing on the facts of the present case".

This speaks for itself the Judge not even for a moment entertained any grain doubt regarding the falsification of accounts. The D.S.P. in trying to screen the omissions on the part of the Executive Engineers

who were responsible for the
physical quantities and who
failed to see that the boys
received at the Railway Station
were brought to the Store,
subjected me to great hardships
in putting me as an accused in
the Case. All possible attempts
were made both by the D & P.
and the Executive Engineers to
misrepresent facts to the
Court and also to threaten
the Prosecution witnesses,
specially the Accounts
Staff who spoke to the
actual work done by them
& the prevailing practices
in the Dvn, to treat them
as hostile in the Sessions Court
Even now the aim, being
to save their skin, the
Executive Engineers are
misrepresenting things to
higher Officers and the
Police. One Ex. Engineer went
to the length of saying that
the Accountant was getting
Rs 5/- C.A. This was just to
show that the duties of the
Accountant are similar
to those of Storekeeper who
gets Car Reguler allowance
+ thus misrepresent the Court

It may also be mentioned here incidentally that the question of principles involved in the embezzlement of half a cent, balance pertaining stock etc never came up for consideration either at the time I spent at the Mt Carmel or the departmental inquiry later on by the deputy chief Engineer. When everything addressed by the Ex Engineer of the Police failed to convince the Court and the assessors, these persons were brought by Ray to secure conviction. In spite of all these, the judge agreeing with the unanimous opinion of the assessors, acquitted me weighing all the evidence against me -

I hereby submit that the names the Court did not put me on the Guard. I have faithfully served all the Officers and when the every one in the prison was boggled by the actions of the Store keeper, there cannot be any motive to be attached to my work in the Division in

Not detecting the fraud,
which was beyond my control.

Considering the mental and
financial strain to which
I had been subjected by
no fault of mine, I
sincerely pray that
my previous pay may
forthwith be ordered to be
paid.

Bhavnagar
Camp.

Yours sincerely,
5-12-1935

ORDERS. NOTES.

Mandya cement defalcation

References:—

I

1. U. O. file No. H. 118 dated 30th Sept. 35 from the Hon. Sec. stating that he is not satisfied that the Hd. Accts can be completely exonerated and desiring to know the views of the Government in the matter.

Flag A.

2. Mr. V. Y. Srinivasan's D. O. reply of 3. 10. 35 to this office No. 442/E.S of 1. 10. 35.

Flag B.

3. D. G. P's reply of 11. 11. 35 to our No. 468/E.S of 30. 9. 35. + opinion of and orders thereon.

Flag C.

4 Mr. Singraiengar's explanation on the observations of the D. G. P.

Flag D

Orders are solicited

6/12/35 Comptr 6/12 Comptr 6/12

II

1. K. R. S. C. E's U. O file No 13 dated 3.12/35 ~~calling for~~ forwarding extracts from my C. E's report on the anicut appropriation of cement in the Irwin canal Wk

Flag E

2. Mr. M. Singraiengar's explanations

Flag F

D795—GPB—10,000—18-11-35

3 Mr. C. Srinivasa Murthy's affidavit dated 3.12.35 | Flag G

4) Mr. D.V.G. Rajiengar's affidavit dated 3.12.35 | Flag H

Orders are solicited.
Affidavit of Mr. C. D. Gundu Rao, will be submitted on his receipt from the C.E. I.R. Dn.

6.12.35

Complied

6/12/35

ask the Engineer as to what exactly was to have been
(1) were the entries of quantities in M.B. books made before submission of receipt bills attested by the respective Officials of the Engineering bills being submitted later on receipt of correct of payment against actuals in detail
2) whether the check measurements when the order to pay was given were in detail at all with reference to available balances & whether the authority of the Dy. who signed the check?

7.1.36

Submitted.

With reference to Observation
of 2.1.36. I beg to state
as follows: —

(1) The procedure in the Division
even before I joined it on 1.1.32
was that the entries of
quantities in the Measure-
ment Book were made by
the Store keeper after sub-
mission of the bills by the
Firms and such entries
were attested by the Executive
Engineer at the time he
signed the Store certificate
on the bills.

I satisfied myself
that the entries in the
measurement Book had
been ~~satisfied~~ attested
by the Executive Engineer
and were crossed off before
the bill was passed for
payment.

The above procedure
seems to have prevailed
in almost all the Divisions
regarding entries of quantities
in the Measurement Book
after receipt of the Firms'
bill

2) It was the Executive Engineer who was scrutinising the requirements and needs for indenting the articles as he was the only Officer conversant with the progress of works which were under his constant inspections. The Executive Engineer did not even insist such memos of the Store Keeper (except in one case) to pass through the Accountant of the Div Office before he passed orders for the purchase as evidenced by the various memos filed in the Office. The ~~need~~ orders for the supply generally were ~~executed~~ made by the Executive Engineer and he was the Officer who was exercising this check for the need. Misjoinder

Acc. 6-1-36.

Bangalore
6-1-36.

Submitted.

Since I had not all the papers on 6.1.36 at Bangalore to reply the observations of the Comptroller of 2.1.36 regarding the particulars, I beg to submit the information enclosed (8 pages). It should be the endeavour to keep up the time limit in submitting this information.

I submit that I have given enough the judgement given Addl. Mr. Session Judge in case No 1/3536 and there is nothing pointedly towards me and the general observations against the Accounts Branch are points which have reference to the observations of my V.T. Sriniwas, Asst. Comptroller for which I have requested my explanation.

Mysore
6.2.36.

Comptl

Compton) by
6.2.36.

Solid
Collector
to-day.
Sir
7.2.36

by
Asst
Comptl
in
Judgment
Copy
in
file herewith.

In continuation of my explanation of 6.1.1936 to the points observed by the Comptroller on 2.1.1936, I beg to submit the following facts from the sworn statements of the Executive Engineers and extracts of the judgement, relating to those points. viz.

(a) Regarding the attestation of the entries in the measurement Book by the Executive Engineer before the bill is audited & passed by him

(b) The check exercised regarding the requirement when the order itself was placed

(a) Attestation of entries in the Measurement Book.

Mr N. Subba Rao, Executive Engineer, has stated as follows (in the Assistant Sessions Court.

" After the bill is received in the
" Office, it is sent to the Store-
"-keeper for furnishing the
" Stock certificate. Then he
' will send it on to the
' Accountant and the bills
' sends mail to me with his
' initials. The Measurement
' Book is also sent with the
' Stock certificate. Then I write
' my initial the Stock certificate
" and send back the bill for
auditing. . . . . I have

"also made the pass order for"
"payment after getting it from
"the Accountant. After the
"pass order is signed by me,
"the files will be sent to the
"Compiler for arranging
"payment. If the Stores Certificate
"is misplaced by the Accountant
"it indicates that he has
"referred to the corresponding
"entries in the measurement
"Book and Daily receipt
"register. It is not his duty to
"verify the physical quantities
"of the articles at the Sites...
"... The responsibility for
"having certified that the goods
"were received at the Sites is
"mine. It is the duty of the
"disbursing Officer" to take all
"precautions as regards payments
"to be made and ascertain that
"the claims are valid. I am
"aware that no bill will be
"held to be a good voucher for
"payment for articles purchased
"unless there be endorsed
"on it the receipt of the
"departmental Officer for the
"articles delivered as laid
"down in para 232 of the Code.
"I am aware that Certificates in
"bills and documents representing
"claims against Government claimed
"to be based on facts verified by
"Officers signing such Certificates.

Mr. N Subba Rao has stated in the Addl. Asst Sessions Court in Case No 102/35-36.

"The significance of the rubber seal in Exp 4a (Firm's bill) is that the stone has been brought on the daily receipt register and Measurement Book. The words "received on" with which the seal begins indicate that the stone has been physically put-into the Store. I have signed the stone certificate made by the said seal. I did not visit the Store before signing it and make sure that the stone had been physically put into the Store. It is not necessary to do this even for signing a certificate in Pro Serial No 163 A. I say that it is a question of the confidence in the Store keeper and Executive Engineer's own responsibility."

Mr. C.T. Narasimha Murthy has deposed in the Asst Sessions Court "The bill was sent to me by the Accountant with the stone certificate. I passed the same to him after affixing my signature to the stone certificate. The stone certificate had been furnished by the Store-keeper and verified by the Accountant.

4

I get the measurement Book also along with the bill. After the bill was audited it was sent to me with the initials of the Accountant. I did not get any slip paper along with the bill, when it was sent to me after being audited. I was scrutinising the bills before passing to see whether they had been undergone process of necessary auditing. The bills which came to my office used to be first audited by one of the clerks in the Accounts Branch, then reviewed by the Accountant and passed by me.

" Para of opinion relying on para 171 of the PW Code, that the Executive Engineer should visit the site with the measurement book to verify the physical quantity of the article in existence at the site when the site-keeper makes an entry in the measurement Book immediately the articles are received at the site and submit the measurement to the entry being initialled".

He again reiterates the same principle in the Addl. Asst. Sessions Court Case No 1/35.36.

" Art 171 of the PWD Code defines my duty regarding the stores

"While signing P45 (certificate accompanying the bill), I did not make sure that 460 bags covered by it were received into the store. I signed the certificate P45 relying on the store certificate 24 P38(R) & the store certificate on the bill signed by the Store-keeper"

Thus it is clear that the store certificate on the bill was signed by the Executive Engineer prior to the completing of the audit by the Accountant. From the sworn statements of the Officers, it is clear that the bill went twice to the Executive Engineer - once for signing the store certificate with the measurement Book and 2nd time for signing the passed assessment when no document accompanied the bill. This aspect of the question has been explained by me against para 23 of the Dy Chief Engineers Observations. There was proper allegations in the bill.

(b) Scrutiny of the requirements before placing orders.

Mr N. Sabaratnam has deposed in the ASSI: Sessions Court " Before placing orders for cement, the Store-keeper will furnish information as regards

"existing stores. Men the subs-
"divisional officers will be asked to
"send their requirement if not
"already sent. After which
"an order will be placed."
" He has stated in the Addl Asst
Commr Cant Case No 2/35-36,
" The divisional stores are
"in charge of the Executive Engineer
"The store keeper will have been
"and key under his control...
"The responsibility for the stores
"is that of the Executive Engineer
"after the store-keeper. The
"first thing was to get a
"memo from the store keeper
"indicating the stores in the
"office. He would also ask
"the S.D.O.s about their require-
"ments. After comparing
"both, I would place an order
"for the required quantity.
"... The store-keeper would
"initial the correspondence
"relating to the order."
Mr C.T. Narasimha Iyengar
has sworn in the Addl Commr Court
" Before placing orders with
"prices for cement I was
"collecting information from
"the sub-Divisional officers as regards
"requirements."
Mr S. Govindaraja, superintendent
of the Corporation office has
deposed "It is the Executive
"Engineer who has to send indents
"the requirements of the sub-Divisn

before placing orders price lists. The Accountant is not expected to do that".

The Addl Asst. Sessions Judge has referred to this point in 3 places in his judgement in case No 1/35.36.

In para 7 dealing with the several defects on the Executive side it is said "that the book balance was not checked when indents were ~~not~~ passed on the basis of actual balances noted by the Store-keeper".

In para 11, while Commencing on indent memo D. 19.4.34 (which has not passed through any Accountant) "P.W. 2 (Mr. C.T. Narasimha Iyengar) has sworn that Ex P 4(a) is the requisition note by the accused (Store keeper). P.W. 2 (Mr. C.T. Narasimha Iyengar) passed the order P 4(b) to the effect that one waggon load may be ordered in spite of the fact that Ex P 4, referred only to the balance of cement out of a recent supply and had omitted to say what the balance in the Store was. It is thus clear that neither the actual Stocks on hand nor the book balance was checked ~~before~~ before passing this indent" As per para 12

his judge has remarked on
accident memo dt 25-5-34.
"According to Ex P7 (c) (the
Statement of daily balances
prepared on 15-10-34), the
correct balance of bags in the
Store on 25-5-34 should have
been 1084. There was
no checking by the Executive
Engineer of the bags on hand
at the account before an indent
like Ex P23 (order of the Firm)
was sent on the basis of a memo like
Ex P2 (memo dt 25-5-34).

Thus the Executive Engineer
is the only officer aware of
the necessity and correctness
with the progress of works for
which cement is ordered by
him and he is expected to
determine the requirement

Bhagwati
6th Dec 36

Yours faithfully
6th Dec 1936.
Junior Auditor.

IN THE COURT OF THE ADDITIONAL ASSISTANT SESSIONS JUDGE, MYSORE.

Dated: This 15th Day of Janyary 1935.

Present S. Krishnamurthi Esq., B.A.,LL.B., Additional Assistant Sessions Judge.

Sessions Case No.1 of 1935-36.

Complainant: Accused:

Government of Mysore VS H. Krishna Rao..

Judgment.

1. This accused, who was storekeeper in the office of the Executive Engineer, No.V Irwin Canal Division at Mandya, and M. Singriengar, who was accountant or manager of that office, were committed to sessions by the special first class Magistrate of Mandya, on several charges of criminal breach of trust, falsification of accounts, forgery and abetment. The charges framed by the committing Magistrate against this accused were (i) for an offence under Sec.467 I.P.C. in respect of an alleged forgery committed by him on 11-12-1933 (ii) one charge of breach of trust, under Sec.409 I.P.C., in respect of 200 bags of cement, said to have been committed by him on 28-1-1934 and (iii) one charge under Sec.477A I.P.C. of having made false entries in several registers on or about 11th December 1933 and 28-1-1934. The other accused (M. Singriengar) was committed on a charge of abetment in respect of the offence of criminal breach of trust said to have been committed by this accused on 28-1-1934 in respect of 200 bags of cement.

2. Both the said accused were tried together for all the said charges by the Assistant Sessions Judge, Mysore in Sessions case No.8 of 1934-35

Sessions Case No.8 of 1934-35. Two charges of criminal breach of trust were added against first accused by the Assistant Sessions Judge. One was for criminal breach of trust in respect of 200 bags said to have been misappropriated on 19-2-1934 and the other was in respect of 100 bags said to have been misappropriated on 6-6-1934. Two charges of abetment of the said offences were added against the other accused also in respect of the charges added against first accused. This accused was convicted of all the charges except that under Sec.467 I.P.C. and the other accused was acquitted under all the charges. On appeal, the Sessions Judge held, in Mysore Criminal Appeal No.40 of 35-36 that the said trial was bad on account of misjoinder, set aside the conviction and ordered a re-trial with the direction that separate trials should be held for distinct offences, which cannot be clubbed together, and that misjoinder would be avoided.

3. The case was subsequently transferred to this Court: In pursuance of the said direction, an order was passed in this case on 2-1-1936 to the effect that there will have to be five separate trials, that trial No.1 will be in respect of the charge under Sec.409 I.P.C. for the offence said to have been committed on 6-6-1934, that trial No.2 will be in respect of the offence under sec.467 I.P.C. said to have been committed on 11-12-1933, combined with the two charges of criminal breach of trust (or theft) said to have been committed on 28-1-1934 and 19-2-1934 and that trials Nos.3, 4 and 5 will be in respect of false entries and falsifcation of accounts said to have been made on different dates in different registers and books relating to the stores. Thereafter, the public Prosecutor stated that he proposed to proceed in this case with the charge under Sec.409 I.P.C. relating to the offence Accused has pleaded not guilty to that charge.

4. The case for the prosecution is briefly this:-

Accused was Store-keeper in the office of the Executive Engineer, No.V.Irwrin Canal Division at Mandya, since about the middle of July 1932 till he was arrested on 23-9-1934. Large quantities of Char Minar Cement were being ordered and got from Sanabad in Nizam Dominions through Messrs. B.V. Narayanaswamy & Co., Bangalore for the use of the works in the said division. Considerable portions of the cement so got were bein misappropriated and this fact came to light by means of an anonymous letter addressed to the Chief Engineer ~~xfxinexDivisionxxxxxi8xxxi934x~~ in the middle of September 1934. After the said letter was placed in the hands of the Executive Engineer of the Division, on 18-9-1934, he counted the number of bags actually found in the stores on 22-9-1934, looked into the accounts and found a shortage of ~~xxxxx~~ 1330 bags. He gave a complaint to the Police against this accused on 23-9-1934, got him arrested and arranged for a special audit in respect of cement, after reporting the matter to the ~~xpexin~~ Chief Engineer and the Comptroller. The result of that special audit was that shortage or defalcation to the extent of ~~1330~~ 1337 bags ~~was~~ traced after scrutinising the accounts for the whole peri of the accused's store-keepership. . On investigation by the police it was found that among other items of misappropriation accused had misappropriated 100 bags of cement on 6-6-1934 in the following manner:- Consignment of 460 bags of cemen was received on 6-6-1934. Accused took delivery thereof at Mandya Railway Station in his capacity as Store-keeper He paid the freight of Rs.481-6-0 for the same as well as the unloading and carting charges and instead of carting all the 460 bags to the stores, he booked 100 bags in his own name to "Self" at Mysore and sold those bags to Hakim Mohamed gouse a hardware merchant in Mysore. It is in respect of these 100 bags that accused is tried in this case.

6. The anonymous letter which exposed the fraud that

was being perpetrated in the stores is marked as Ex.P.50 and Mr. C.T. Narasimha Iyengar (P.W.2) who is the Executive Engineer of the Division since 26-3-1934 ~~since 26-3-1934~~ has told us that the Deputy Chief Engineer placed Ex.P.50 in his hands on 18-9-1934, that he paid a surprise visit to the stores on 22-9-1934 and found only ~~388~~ 398 bags of cement therein, that the correct balance as per books, that day should have been 1735 bags, that, on investigation, he found a shortage of 1335 bags, that he gave the complaint Ex.P.54 to the Police Inspector next day (23-9-1934) and that he also reported the matter to the Chief Engineer for arranging for a special audit. The special audit was conducted by Mr. S. Govinda Rao (P.W.15) under the supervision of Mr. V.T.Srinivasan (P.W.16) the Assistant Comptroller, who was in charge of the section to which No.V.Irwin Canal Division at Mandya was attached. It related to the period from 1-7-1932 to 30-9-1934 so as to cover the whole of accused's storekeepership. Ex.P.79 appears to be a statement prepared in the course of that audit, because it bears the date 15-10-1934 and shown the shortage as 2337 bags, mentioned by P.Ws.15 and 16 and not 1335 as stated in Ex.P.54. Mr. A. Subba Rao P.W.18 and Rajiengar P.W.19 want to take the credit of having compiled Ex.P.79, but I am not prepared to believe them on ~~thexixxxx~~ that point. According to Ex.P.79 and the depositions of Mr. Sharma (P.W.9 and P.Ws.15 and 19 shortage as indicated below existed on the following dates:-- (1) The correct balance of bags in the stores on 31-12-1933 should have been 915, but P.W.9 who counted the actual quantity on hand in accused's presence on that day, as per Ex.P.71 found only 475 Bags. (ii) The balance of bags on 19-4-1934 should have been 903 and not 100 only, as shown in Ex.P.4 by accused, while obtaining orders from P.W.2 for a fresh supply. (iii) The balance of bags in the Stores on 25-5-1934 should have been 1084 and not 50 only, as mentioned by accused in Ex.P.2, for obtaining orders from

Judge's views are incorrect

from P.W.2 for ~~exfress~~ getting a supply of two waggon loads of 920 bags. (iv) The correct balance of bags on 4-7-1934 should have been 2234, but the ~~quality~~ Quantity shown as the balance in Ex.D1. as on hand at the close of the half year ending with 30-6-1934, was 793 only. (v) The balance of bags on 2-9-1934 was the close of the half year ending with 30-6-1934, the date on which the Executive Engineer (P.W.2) purports to have counted the stock, should have been 1861, but it is clear that it was far less than that. (vi) The correct balance of bags on 22-9-1934 should have been 1735 and not 398 only, which was the quantity actually found by P.W.2. It is therefore, clear that defalcations were going on, on a large scale, for a long term prioer to 18-8-1934.

CTNS Counting on 3/9/34

6. We are not concerned in this case with the details of the manner in which all these deflcations were carried out and about the person who was actually responsible for them. The Police have investigated into the details of the manner in which 100 bags were misappropriated on 6-6.1934 and the manner in which 120 bags were misappropriated on 9-5-34 just prior to 6-6-34 and the manner in which 224 bags were misappropriated adduced evidence mainly about these three acts of misappropriation in this case. Evidences about similar acts, preceding and following the transaction for which an accused is charged is relevent under Sec 14 and 15 of the Evidence Act and this principle has been clearly enuncizated with respect of breach of trust in the well-known cases ofSITARAMACHAR VERSUS GOVERNMENT OF MYSORE (34 Mysore Chief Court Reports 519). The defence has also not contended in this case that such evidence is irrelevent.

7. There were several defects in the procedure of the office of the Executive Engineer, No.V.Irwin Canal Division at Mandya, both on the executive and accounts side, as swonn to by the Assistant Deputy Comptroller (Mr. V. T. Srinivasan

P.W.16) who was responsible for the special audit conducted after the defalcations came to light. The defects on the executive Side enumerated by P.W.16 are (i) that stock was not actually checked by the Executive Engineer, when passing indent s or bills; (ii) that the measurement-book was being initialled by the Executive Engineer without checking the stock; (iii) that the book balance was not checked when indents were passed on the basis of actual balances noted by the store-keeper; (iv) that bills were passed without check ing them with reference to the office-copies of indents; (v) that the stock was not actually counted when one Executive Engineer was succeeded by another in March 1934 (vi) that two half wagon-loads were ordered and bills for the same passed in March 1934, that when the Comptroller pointed out that a saving of Rs.135/- could have been made by ordering a full wagon-load, the Executive Engineer, who ordered the consignment explained that half wagon-loads were ordered, because accommodation in the stores was insufficient and that his successor passed on that explanation without verifying the capacity of the stores. The defects on the Accounts' side enumerated by P.W.16 are (1) that the bills were passe d without checking them with reference to the office-copies of the indents; (2) that the accountant or manager did not ensure that office-copies of indents passed through him: (3) that the measurement-book and the bill were both allowed to go simultaneously to the Executive Engineer for signature. (4) that though the estimates in the Division provided mostly for the use of surki-mortar and not cement (which was actually used) the accountant did not raise any objection to the use of cement: and (5) that one consignment ~~xixxxxx~~ of cement got in June 1934 and paid for in July 1934 was not posted in the A.Form Register till September 1934. It has also been elicited from P.W.16 in cross-examination that the periodical counting had to be done by a Gazetted officer and that the test-audit of November 1933 showed tha t.

EE

Actt

the counting had been done only by an Overseer. P.W.16 has sworn that these defects made the defalcation possible and that they were largely responsible for the defalcations

8. Most of these defects are admitted by the two executive Engineers, Viz. Mr. N. Subba Rao (P.W.10) and Mr. C.T. Narasimha Iyengar (P.W.2) who were in charge of the Division during the period covered by the defalcations. The testimoney of the Assistant Engineer(Mr. M.C. Sampathiengar P.W.1) and the Accountant (Mr. Singariengar P.W.5) proves the existence of some more of the defects. P.W.10 has conceded that the Executive Engineer is the officer responsible for seeing that the cement received from the suppliers is put into the stores and that he did not see whether the 440 bags got under the Railway receipt (Ex.P.72) were actually received into the stores. He has also admitted that the A. Form Register had been posted only up to the end of February 1934, when he handed over charge to Mr. C.T.N. Iyengar (P.W.2) on 20-3-1934 and that no attempt was made before handing over charge to see whether the actual balance of cement tallied with the book-balance. The fact that the periodical counting has to be done by a Gazetted officer is clear from the Memo (Ex.P.69) put up by P.W.5 in July 1934. In spite of it, P.W.10 hasd passed a memo like Ex.P.70 in 1933 directing Mr. Sharma (P.W.9) to do the half yearly counting. P.W.9 has done the half-yearly counting. P.W.9 has done the half-yearly counting on two occasions in 1933, viz., on 4-7-1933, as per Ex.P.69(b) and on 31-12-1933, as per Ex.P.71, Though the half-yearly forecast for 1933-34 is admitted by P.W.10 to have been 300 bags, it did not occur to him, even when he made the endorsement - Ex.P.72(a) for 440 bags and passed other orders relating to that consignment that the forecast had been exceeded and that the indent was a bogus indent. We are not concerned in this case with the fact whether the xxxx

said indent was actually a bogus indent. Mr. C.T.N. Iyengar (P.W.2) has also conceded that he does not remember whether the A.Form Register had been posted up-to-date when he took charge on 26-3-34. He has stated that he has initialled the A.Form Register once a month but has admitted that he has not checked the stores, before initialling it, with reference to the Daily Receipts Register (Ex.P.52) and the Daily Issues Register (Ex.P.53) He has seriously asserted that he counted the articles on 3-9-34 and that he found 795 bags that day as per Ex.D1(a). But Ex.D1 is only a statement of Stock

CTN's Counting

on hand on 30-6-1934 prepared by the stores accounts clerk (Rajiengar P.W.19) and the figure '793' shown at the place (Ex. D1(a)) is only the balance shown as on hand on 30-6-1934. Ex. P79 shows many transactions between 30-6-34 and 3-9-34. Hence, it is clear that the counting said to have been done on 3-9-34 is absolutely imaginary. He has also admitted that he signed certificates in Form No. 163 A like Exts. P 45 and P37, relying solely on stock-certificates like Ex. P38(a) made by accused on firm bills and without satisfying himself that the stock had been physically put into the stores. It is clear from this that the measurement book, the firm bill and the certificate in Form No.163 (A) were all going simultaneously for the Executive Engineer's signature and that they were all passed, relying solely on entries made by the Store-keeper (accused). Orders for getting supplies of cement were passed, on memos like Exts. P2 and P4, which did not state the actual balance of cement in the stores and which evaded such statement by simply mentioning that about 100 bags and 50 bags were on hand out of the consignments received just prior to the dates of those memos. Though, according to the letter (Ex.P56) written to the post-office, the accountant was authorised to receive, at the post-office, window, registered-letters and insured-articles addressed to the Executive Engineer, accused, who was neither the accountant nor the cashier, was allowed to receive such letters and articles, as proved by Exts. P7, P28, P28(a), P28(b), P40, P40(a) and P55. The insured letters received from the suppliers for paying the railway-freight on the consignments of cement, generally contained amounts coming very nearly to Rs.500/- and accused was allowed to handle such large amounts, though the sub-imprest allowed to him could not exceed Rs.40/- as admitted by P. W. 2. The fact that cement was ordered in two half-waggon-loads by P. W. 10 and that objection was taken thereto by the Comptroller is conceded by P. W. 5.

This aspect has been appraised by me to J.G.P's observations dtd. 11-35

That P.W.10 sent up an explanation for the same is also clear and that the said explanation, which was to the effect that there no accommodation is the stores for a full-waggon-load, was passed on by P.W.2 is capable of leading to the inference that P.W.2 had never visited the stores before passing it on.

9. No technical or expert opinion is required for the position that such indifference to duty and disregard of codal rules by responsible Divisional Officers gave facilities for defalcations of the kind we are now dealing with. There is a big volume known as the Public Works Accounts Code which contains elaborate rules fixing the duties and responsibilities of Divisional Officers, Account and Store-keepers in respect of stores and prescribing the way in which various accounts etc. have to be maintained and checked in order to safeguard leakage or misappropriation. Article 171 thereof prescribes the duties and responsibilities of the Executive Engineer in respect of measurement books relating to stores. Article 251 says how accounts of daily receipts and issues have to be maintained. Article 252 relates to monthly abstracts of receipts and issues of stores. Article 359 makes the "divisional officer" primarily responsible for all the stores. Articles 363 and 365 say that periodical counting has to be done only by a Gazetted officer. Articles 662 to 665 prescribe the duties of the Divisional Accountants. The case for the prosecution is that all these codal rules were practically ignored in No.V Irwin Canal Division at Mandya and that accused was allowed a free hand and was the sole master at least in so far as the transactions relating to cement were concerned.

10. We may now proceed to examine how exactly the disregard of the codal rules and lack of supervision made possible the three defalcations in respect of which specific evidence has been adduced by the prosecution in this case.

So far as these three acts of misappropriation are concerned, the method adopted by the accused is said to have been to book an appreciable portion of the consignment then and there in his own name and to dispatch it almost immediately to Mysore or Seringapatam in the same waggon in which it had arrived at Mandya, to cart only the balance to the stores and to endorse the railway receipt for the number of bags booked by him to merchants in Mysore who would take delivery and pay for the same. As already pointed out, the question whether Ex. 73 was a bogus indent and whether the consignment received as per the railway receipt (Ex. P72) was got in the pursuance of that bogus indent requires no serious notice in this case, because P.W. 10 is practically the only witness speaking on that point now, The other three items will be taken up one after another now.

Method of fraud.

11. A requisition like Ex P 1 was sent to the Sub-Divisional Officer (P.W. 1) from the Executive Engineer's Office on 11-4-34 asking him to state his requirements of cement for the three months ending with 30-6-1934. P.W.1 sent the reply Ex. P. (a) on 12-4-34 stating that 36 tons were required. The Accountant (P.W.5) made the note (Ex. P1d) thereon asking the store-keeper to submit it with other indents, thus ignoring the fact that only surki-mortar was provided for in the estimates of the Division. Accouesed received Ex. P 1(a) on 16-4-34 as per pencil note (Ex.P1b) Soon after that, accused put up the Memo (Ex. P4) on 19-4-34 to the effect that out of 440 bags of cement received on 9-5-34, there were only about 100 bags in stock, that the requirements of Nos. 1 and 2 Sub-Divisions worked up to 36 plus 5 or 41 tons for the year during June 1934 and soliciting orders for indenting for one waggon-load of cement immediately and another

Accts failure.

and signed by accused with his designation for having booked 59 bags to 'self' to Mysore on the same day. Exts. P17 and P 18 are the railway receipts given to accused for these consignments and 17 (a) and 18 (a) are accu ed's endorsements thereon. M.C.L.Pathi (P.W.7), who is a hardware merchant in Mysore, has sworn that accused gave Ex. P.17 to him on 10-5-34 with the endorsement Ex.P.17(a) and that he took delivery of the said consignment of 120 bags at Seringapatam Ry. Station on 10-5-34 as per entry Ex. P.68 (a) in his Day Book. Ramachandriah, who was Station Master at Mandya the time, was examined as P.W.28 before the Committing Magistrate and his deposition has been marked as Ex. P. 81 in this Court, because his whereabouts are not known. His deposition strengthens the fact that accused took delivery of the said consignment as per Ex. P.10(a) on 9-5-34 and that he booked 120 bags and 59 bags respectively out of the said consignment on the same day to 'self' to Seringapatam and Mysore, as per Exts. P.12,14, & 17 and 15, 16 and 18. Ex.P.19(a) in the Register of Daily receipts (Ex. P19) and Ex.P.20(a) in the measurement book (Exp.20) are entries made by accused in his own hand on 9-5-1934 in respect of the said 440 bags. These entries are not by themselves enough to prova that all the 440 bags were physically put into the stores. That was a fact about which Executive Engineer had to satisfy himself personally. The Executive Engineer (P.W.2) has not initialled those entries in token of having done so and he has passed the bill (Ex.P.21) and signed the certificate (Ex.P22) in P.W.D. Form 163 A relying solely on the stock-certificate. Ex.P.21(a) made by accused. The said bill has been paid by the State Huzur Treasury as per Ex. P.21(c). The signatures of accused in Exts. P. (6) (b), P.7, P10a, P13a, P14a, P15a, P16a, 17a, 18a and the handwriting of accused in Exts. P11, 12, 13, 14,

15, 16, 19a, 20a and 21 a have been identified by P.W. 5 who was accountant along with him during the entire period. in addition to P.W.2. Mr.A. Subba Rao (P.W.16) who was cashier, has identified accused 's writing and signatures in Exts. P13 to 18. Rajiengar (P.W.19) who was tores accounts clerk since 8-2-34 has identified accused's signature in Exts. P7; 10 (a), 11, 12,13 (a), 14(a), 15(a), 16 (a), 17(a) and 18 (a) and his writing in Ext. P.6 (b). He has also sworng that Exts. 19 a, 20a are in accused's Ex. writing. These materials establish that the said consignment of 440 bags received on 9-5-34 belong to Government, that it was paid for by Government, that accused took delivery thereof at Mandya Ry. Station on 9-5-34 in his capacity as a store-keeper of the Division. that he booked 120 bags in his own name to Seringapatam then and there and that he sold those 120 bags to P.W. 7 as his own property and the very next day i.e., 10-5-34. The entries marked in Exts. P.68 (a) to P68 (n) in the Day Book of P.W.7 prove that P.W.7 has paid for all the cement sold to him by accused.

12. Just a fortnight after receiving the consignment dealt with in the last paragraph; accused put up the memo (Ex.P2) on 25-5-34 in his own handwriting to the effect that out of the 440 bags of dement received on 9-5-34, there were only about 50 bags ~~of cement received~~ in stock that the requirements of Nos. 1 and 2 Sub-Divisions worked up to 36 tons and soliciting orders for getting towo waggon-loads. P.W. 1 made the submission-notes (Ex.P2a) to the effect that one waggon load may be got by the end of the month and another by the 12th of June 1934. P.W.2 passed the order -- Ex.P2 (c) -- directing the store-keeper (accused) to place orders accordingly. The first sentence in Ex.P2 is itself enough to show that the dated 25-4-34 put in it by accused under his initials is wrong and that it must be 25-5-34. In pursuance of Ex. P2c, the order Ex.P23

was sent to the suppliers on 26-5-34 alone. Ex.P57 is the office-copy of the said order and Ex.P.57a shows that the accountant (P.W.5) passed it without taking the objection that surki-mortar should be used. According to Ex.P79(c), the correct balance of bags in the stores on 25-5-34 should have been 1084 bags. Thus, there was no checking by the Executive Engineer of the bags on hand or the accounts before an indent like Ex.P23 was sent on the basis of a memo like ExP2. 460 bags or 23 tons were received under the R.R. (Ex.P.25) and it was taken delivery of on 6-6-34. It is out of this consignment that accused is said to have misappropriated the 000 bags covered by the charge for which he is tried in this case. This requires detailed consideration. Another consginment of 460 bags was despatched by the suppliers under R.R. (Ex.P.41) on 8-6-34 and it was taken delivery of on 16-5-34. Accused is said to have misappropriated 224 bags out of this consignment. I think it better to deal with this latter consignment first.

13. The suppliers sent the R.R. (Ex.P41) for the latter consginment with the letter (Ex.P39) on 11-6-34, It was received in the Executive Engineer's Office on 12-6-34. P.W.2 made the note, Ex.P. 39 (a), that day asking the accused to take delivery. Ex.P.39 (b) is accused's note to the effect that he has taken the R.R.(Ex.P. 41). Ex. P. 41 a is the endorsement by P.W.2 in favour of accused. Ex.P 41 (c) is accused's signature intoken of having taken delivery of the said 460 bags on 16-6-34. Ex.P.41d is the note made by the Station Master (P.W.11) for having delivered the said consignment to accused. Ex.P.40 and P.40(a) are post receipt and acknowledgment signed by accused for having received the insured letter in which Ex.P.39 and the money (481-6-0) were received. Ex.P10 c is accused's signature in the goods delivery book of Mandya. Railway Station on 16-6-34 for having paid the said freight

and for having taken delivery of the consginment. Exts. P.43 and 44 are vouch rs signed by accused and passed by P.W.2 for having paid unloading charges and carting charges for having paid unloading charges and carting charges for the said consignment. Ex.P.38 is the bill by accused, 38b is the order passing it and the certificate (Ex.P45) in Form No.163 A and 38 c show that the bill has been paid through the Bank of Mysore. Ex.P.78 is the certified extract of the account of the form of suppliers with the Bank of Mysore showing this. Exts. P.19c and 20c are entries made by accused in the Daily Receipts Register and measurement book for the said 460 bags. Exts.P45 and P47 are consignment-form and risk note filled in and signed by accusdd with his designation for having booked 234 bags to 'self' to Mysore on 16-6-34 at Mandya Railway Station soon after taking delivery as per Ex.P.10c. The Station Master (P.W.11) has sworn that those forms were filled and signed by accused in his presence, that accused left 234 bags in the same waggon viz., No.10117, and that Ex.P.48 is the R.R. written up by him viz., P.W.11 and handed over to accused for that consginment. P.W.11 has produced entries in the unloading and loading tally books marked as Exts. P.75b and P76c in support of his evidence to the effect that the said 224 bags were sent on to Mysore in the same waggon viz., No.10117 by No. 42 down train on the evening of 16-6-34 alone. Ex.P.59 b is the sub-imprest sheet prepared by accused for having paid the unloading and carting charges on 16-6-34. M.C.L.Pathi (P.W.4) has sworn that accused made the endorsement, Ex.P. 48 (a) on the R.R. in his presence and gav it to him. Sambasiviah (P.W.6) who is the Goods-Clerk of Mysore Ry. Station, has sworn that the delivered the said consginment to Padmarajia (P.W.8).

on 18-6-34 as per entry -- P65a -- in the goods delivery-book. P.W. 8 has sworn that the signature in Ex.P.65a is his; that P.W.7 gave the R.R. and Railway freight to him and that he gave them to P.W.6 at the time of taking delivery. P.W.8 has said that he doesn't remember whether Ex.P48 is the R.R. He is a young man and being the son of the partner of P.W.7, he has taken delivery of things at the Ry.Station several times. Ex.P.68 a to 68 n show that P.W.7 has paid for all the cement supplied by accused to him. The handwriting and signature of accused in the several exhibits referred to above have been identified by P.Ws5.18 and 19 also. There is thus no doubt that accused took delivery of 460 bags on 16-6-34 in his capacity as store-keeper, that the said bags belonged to Government, that they were paid for by Government and that he booked 224 bags in his own name to Mysore and sold them to P.W. 7 immediately.

14. Coming to the specific item included in the charge, we see that the R.R. (Ex.P25) for the first consginment ordered as per Ex.P23 was received on 5-6-34 with the letter (Ex.P24). Ex.P24a is the note made by the accountant (P.W.5) to the effect that the R.R. was given to the store-keeper (accused). Ex.P. 24 is a is accused's note dated 5-6-34 to the effect that he has taken the R.R. Ex. P. 25a is the endorsement on the R.R. made by P.W.5 in favour of accused. Ex.P. 25b is accused's signature reading merely as "R.K.Rao.'. Ex.P26 is the separate insured-letter in which the railway freight of 481-6-0 was received in respect of that consignment. Exts. P28a, 28b and 28c are postal receipts and acknowledgment signed by accused for having received in the post-office both the said letter and the registered letter in which Exts. P24 and 25 were received. Ex. P10 b is the signature of accused

By order Post

No. P24 was received by ordy Post as the 4th June 34 was a Postal Holiday. The letter itself is clear & Insured letter was sent next day i.e 5th June 34 & received on 6-6-34

in the goods delivery book for having paid the said freight and taken delivery of the consignment on 6-6-34. Exts P29 and 30 are vouchers prepared and signed by accused for having paid unloading and carting charges of that consignment. They have been passed by P.W.2 The Station Master (P.W.11) has sworn that accused took delivery as per Ex.10b and that he signed it in his presence. Exts. P31 and 32 are consignment form and risk-note filled in and signed by accused with his designation as store-keeper for having booked 100 bags the same day (6-6-34) to 'self' Mysore. P.W. 11 has sworn that these forms were filled and signed by accused in his office in the Railway Station in his presence and that Ex.P.33 in the Railoway receipt drawn up and given by him to accused in respect of these consignment. P.W. 11 has also sworn that accused left 100 bags out of the said consignment in waggon No.12376 that Exts.P31, 32 and 33 relate to those 100 bags and that they were sent on to Mysore in the said waggon the same evening viz., 6-6-34 by No. 42 down. He is corroborated by the entries marked as Exts. P75a and P76a in the unloading and loading tally-books of Mandya Railway Station. Ex.P.19b and Ex.P20b are entries made by accused in the Daily Receipts and Register and measurement book regarding the said consignment of 460 bags. Ex.P36 is the bill for the consignment. Ex.P.36(a) is the stock-certificate made by accused. Ex.P 36(b) is P.W.2's order passing the said bill relying on Exts.P19b, 20b and 36a. Ex.P37 is the prescribed certificate in Form No.163A signed by P.W2 and attached to Ex.P35. Ex.P36c and Ex. 78 show that the said consignment has been paid for through the Bank of Mysore.

15. The said Railway-receipt (Ex.P33) was endorsed by accused to Hikim Md.Ghouse (P.W.12) on 7-6-34 as per Ex.P.33a as sworn to by P.W.12. P.W.12 endorsed it in favour of his carting agent (Md. Ibrahim -- P.W.13).

Md. Ibrahim has taken delivery of that consignment as per entry -- Ex.P63a -- in the goods delivery-book (Ex.P63) on 8-6-34 as sworn to by the goods-clerk (P.W.6) and corroborated by Md. Ibrahim (P.W.13). Ex.P64 is the Gate pass record relating to the said 100 bags Ex.P58(a) is a letter dated 7-6-34 written by accused to P.W.12 to the effect that he has despatched 100 bags. Ex.P.58(f) is the postal-cover relating thereto. The address in Ex.P. 68(f) is in accused's handwriting in English, though Ex.P.58(c) is in his Kannada writing and is signed as ' '. It is significant that Ex.P.58(e) is in a printed letter-head belong to accused. Ex.P58 shows that had even a printed heading in Kannada for post-cards. Ex.P58 is in his English letter head. Ex.P58 series leave no room for doubt that they were all written by accused to P.W.12. P.34 is another letter written by accused to P.W.12. On 13-5-34 in Kannada, intimating him that he would be sending 100 bags sortly. Ex.P34a is the postal-cover for Ex.P34 and P.W.12's address is written by accused in English. Ex.P35 is the receipt granted by accused to P.W.12 on 9-6-34 for having received Rs.260/- as the price of the said 100 bags despatdhed as per Ex.P63 after adjusting Rs.10 towards the railway freight which had been paid by P.W.12. Exts. P77a, 77b and 77c are entries in P.W.12's account book for some moneys which accused had taken in advance from P.W.12. They have been adjusted on 10-9-34. There are thus overwhelming materials to show that accused was the person who took delivery of the 460 bags covered by Ex.25 on 6-6-34, that he took delivery as store-keeper, that the said consignment belonged to Government, that it was paid for by Government that accused misappropriated 100 bags out of that consignment by booking those bags in his own name then and there to Mysore as per R.R.(P33) and that he sold,

those 100 bags to P.W.12 the very next day at Mysore.

16. Accused has urged that he didn't take delivery of that consignment, that the signature in ExP 25 b is not his and that he had nothing to diwh the 100 bags which are the subject-matter of the present charge. The fact that the signature in Ex.P 255 runs as 'R.K.Rao' is of no significance, because the writing in it has been identified by P.Ws. 2,5,11, 18 and 19 and P.W.11 has sworn that it was put in his presence. The fact that it is an abbreviated signature may merely show a sneaky motive. The writing and signatures in Exts. P28a, b, c P10b, 29 and 30 31 and 32 and 33a have been identified by the said witnesses. P.W.2 was accused's officer and the other witnesses were co workers in the same office. P.W.19 worked in the stores and had to handle a very day accounts and other papers written by accused. Exts.P18a and P66 show that accused was not at all uniform in signing his name. Exts.P.28 series have come from the Post- ffice and from P.W.3&'father. It cannot be said that these official records and the records of the ry. Stations have been got up for the purposes of this case. If we read Exts. P.28, a b and c, 24b, 28a, b and c, 10b, 19b, 20b, 29, 30 and 31, 32, 33a, 34, 34a and 35 together and comparing accused's writing and signature in the other exhibits referred to in dealing with the other two consignments, the only conclusion is that the signature in Ex.25 b is also accused's, that he took delivery of the said consignment and that he dealt with 100 bags out of it in the manner indicated in the last paragraph. It has to be remembered that accused has admitted in his statement that he was generally taking delivery of the consignment of cement and that no doubt is thrown on his signatures found in most of the documents that have been filed as exhibits in this case. Some doubt is thrown on the assertion of the Station Master (P.W.11)

to the effect that 100 bags were left in the waggon No. 12376 out of the same consignment. The surrounding circumstances clearly show that the bags formed part of the said consignment and he has sworn that even calculated the weight on the basis of the entire consignment. There is no positive suggestion that the said 100 bags were carted to the Ry-Station independently of the consignment. If that had been done, the Station Master would certainly have come to know of it and the cartmen and the others who handled it could easily have been examined. Another point raised was that the witnesses who had attested the rsik-note (Ex.P32) were not examined. A glance at Exts. P14, 16 and 32 raises the suspicion that the signatures are of bogus persons and that accused must himself have put them.

17 In the face of all these materials, it cannot be urged even for a moment that accused handled the 100 bags in question in an innocent way. As pointed out on pages 326, 338 and 339 in 35 H.C.C.R. 319 the other acts about which evidence had been tendered in the case are proximate in time to that covered by the charge and they are of the same kind as that in question. They can be used for drawing inferences about the dishonest intention of the accused, though they have to be excluded from consideration as affording proof of the subject of the trial. All the three acts considered together show that they were done by accused in a systematic course of conduct of the same kind and in a systematic pursuit of the same criminal object viz., the misappropriate large large quantities of cement out of the consingments ordered from the suppliers.

18. One question naturally arises in a case like this and that is whether the whole thing could be a secret affair known only to the accused or whether other persons in the office should also have been in the know. The way in which accused was allowed to receive insured letters containing the freight amount, the

This is explained in my explanation dt 19.11.35 to Dy: Chief Engrs Quarry

the continued laxity in the matter of seeing that the consignment received by him were physically put in the stores, the fact that the A. Form Register was not posted up for months together, for instance from 30-6-34 to 27-9-34, as sworn by P.W.15, the circumstance that Rajiengar (P.W.19) was who was the stores accounts clerk, never brought such defects in the stores-accounts to the notice of the officer, the fact that he was a distant relative of the Executive Engineer (P.W.2) on his wife's side and the fact that P.W.2 rarely visited the stores and conted the stock seem to me to indicate that the defelcations were not entirely a secret affair and that most people in the Division knew about it. P.W.19 was working in the stores and it is difficult to explain how he kept quiet when quantities much smaller than consignment were brought and put in the stores. The facilities provided by the Station Masters for booking large quantities out of such consignments than and there in the Ry. Station and for despatching them almost by the same train by which they arrived, in spite of the fact that Government cement was being handled in that manner show that the Railway officials too must have been bought in. Otherwise it is impossible for such things to go on systematically for such a long time in a small station like Mandya.

19. There remains only one other point to be considered. It was urged by the defence Counsel that there had been no commitment in respect of the present charge. He did Not urge it as a technical objection. Still I think it to be better to deal with it briefly. Sec. 226 of the Criminal Procedure Code deals with a case when a person is committed for trial without any charge with an imperfect or erroneous charge and says that the Court of Session may frame a charge in such a case. Sec. 227 says that the Court may alter or add to any charge at any time before judgment and that in a Court of Sessions this has to be done before the verdict of the Jury or the opinions of the assessors are expressed. The charge for which accused is now tried was added by the Asst. Sessions Judge before the trial began there.

There is, hence, nothing technically wrong in having done so. The case would have gone on in the Asst.Sessions Judge's Court but for th fact that the presiding Judge had expressed his opinion about the charge. It has been transferred to this Court for giving the accused the benefit of a trial by a different Judge. Hence, this Court cannot be deemd to be differ from that of the Asst. Sessions Judge. The charges has been tried singly because separate trials have been ordered while ordering a retrial and accused has had the benefit of a trial with the aid of Assessors. I don't think the law provides for sending back an accused person to a Magistrate for trial after commitment. Hence, I hold that this trial is quite in order.

20. Agreeing therefore with the unanimous opinion of all the three assessors, I find accused guilty, under Sec. 409 I.P. of the charge for which he has been tried in this case. As regards the sentence, I can't take a very serious view of this offence, because the deplorable state of things in the Division and not merely the criminal tendency or mentality of accused was largely responsible for the offence. We have also to remember that accused had been in custody for nearly 16 months by now. I accorddingly sentence accused to suffer rigorous imprisonment for one year and to pay a fine of Rs.400. In default of the payment of the fine, accused will suffer further rigorous imprisonment for 4 months.

For good management & economy, etc. Exp. is solely responsible. made Police & gilt Anti-corruption Agent Report Part. I.

Dictate to Steno-typist and pronounced in open Court.

Sd/ - S.Krishna Murti,

13-1-1935. Additional Asst. Sessions Judge.

Copy

9/2/36.

Part. - II

Report of Mr. V.T.Sreenivasan, Assistant Comptroller (W.A.D/K.R.S.Section) and Financial Assistant to the Chief Engineer, K.R.S.Works, on the detailed audit of the stock transactions relating to the purchase and issue of cement bags in the Irwin Canal Division, Mandya, for the period 1st July 32 to end of September 1934.

PART. II

EXTRACT FROM INCUMBENT REGISTER

Executive Engineer in charge:-

Mr.	G.Seshagiri Rao,	..	18- 7-27 to 20-9-31
,,	N. Subba Rao,	..	21- 9-31 .. 23-12-32 (F.N)
,,	B.Krishnaswami Iyengar	..	24-12-32 .. 26- 1-33
,,	N.Subba Rao,	..	26- 1-33 .. 26- 3-34
,,	C.T.Narasimha Iyengar	..	24- 3-34 (F.N)

Accountant:-

Mr.	M.Visveswariah,	..	22- 8-28 to 31-12-31
,,	M.Singriengar,	..	2- 1-32 .. 6-11-32
,,	C.Srinivasamurthy,	..	7-11-32 .. 4-12-32
,,	M.Singriengar,	..	5-12-32 .. 24- 4-33
,,	C.Srinivasamurthy,	..	25- 4-33 .. 3- 5-33
,,	M.Singriengar,	..	5- 5-33 .. 25- 5-33
,,	C.Srinivasamurthy,	..	26- 5-33 .. 15- 6-33
,,	M.Singriengar,	..	16- 6-33

Dates of Inspection 27th September 34 to 5th October 34.

Names of Auditors:- Mr. S.Govinda Rao, Superintendent,
,, N.K.Raghavan, Test Audit Accountant.

* * * * * * * * *

1. The stores of this Division were in charge of Mr.R. Krishna Rao, Store Keeper from July '32. Owing to the departmental system of work carried on in this Division, all kind of stores required for emergent works were kept in the Divisional stores and issues were made on indents which were in most cases defective. The work of the store keeper was not supervised by any body and he was issuing all articles mostly on single indents whereas a form in triplicate is prescribed in the Code. Most of the indents received do not bear the orders of the Executive Engineer for issue while the acknowledgments of the parties for the full quantities received are also wanting. The detailed acknowledgments for all the articles issued are not generally obtained from Sub Divisions and filed and pasted with the original indents as required by the code rules (Para 249 of Mysore Public Works Account Code)

2. The store keeper was maintaining only the daily receipts and issues registers and was responsible for the receipt custody and issue of stores. He had access to the Executive Engineers without sending his papers through the Divisional Accountant as can be seen from the purchase orders referred to elsewhere. There was no control over his work or his transactions and encouraged by the way in which his drafts for purchases were approved, he had kept his stores account and correspondence in a most perfunctory manner. When the proposal to use cement for all masonry works connected with sluice construction works instead of surki mortar as per sanctioned estimates was mooted by the previous Executive Engineer, the store keeper appears to have discovered how easy it was to turn the proposal to his own advantage.

NECESSITY FOR THE PURCHASE AND USE OF CEMENT FOR CANAL WORKS IN THE DIVISION.

3. It is seen from the records that the Executive Engineer Mr.N.Subba Rao, made a reference to the Principal, College of Engineering in his letter No.918 dated 22-11-33 requesting him to arrange for conducting tension and compression tests of cement mortar of proportions 1 of cement to 6 of sand, 1 to 8 and 1 to 10 as the information was wanted to select the suitable proportions for mixing consistent with necessary strength and cost compared with the cost of surki mortar etc., A copy of the above letter was also sent to the Chief Engineer in Executive Engineer's Memo No.384 dated 24-11-33 stating that the Indian Concrete Journal had published in one of its issues sometime back that cement mortar in the ratio of 1 : 16 to 1 : 20 gives a breaking strength of 400 lbs to the square inch in compression with a working stress of 8 tons to the square foot, the factor of safety being only 3; that 8 tons stress is never attained in the Channel works of this Division; and that the proportion of 1 : 8 or 1 : 10

which compares favourably in cost with the cost of surki mortar is sure to have a bigger factor of safety if the statement made in the Journal was correct. A detailed report was also promised to be made and it was also added that on small works in out of the way places, cement mortar might advantageously be used in preference to indifferent surki mortar.

4. In response to this the Principal, College of Engineering, sent the results of tests and a detailed report in his No.1625 dated 14-2-34 with a bill of cost for Rs.36/- for conducting the tests. The results were to the effect that although cement mortar of 1:6 proportion compares favourably with mortar of 1:4 proportion used in Krishnaraja-sagara and Thippagondanahally Works in point of strength, it would be porous and cannot be used for water tight masonry as in the case of irrigation works. The Principal stated that it could be recommended for use only in dry situations such as for buildings, road culverts etc., where the strength required is small and the masonry need not be water tight.

5. It is seen that a copy of the report instead of being sent to the Chief Engineer for approval in response to his letter No.3191/KSS dated 13-12-33 was sent to the Assistant Engineer, No.11 Sub Division, with the Executive Engineer's No.731 dated 15-2-34 for submitting a detailed report after conducting necessary tests on Canal works. The Executive Engineer sent in his letter No.912 dated 24-4-34, a copy of the above letter to the Chief Engineer. The Chief Engineer again called in his letter No.6044/KSS dated ~~&&x~~ 29/30-4-34 for a detailed report on the above and asked how the results were going to be made use of in connection with the Canal works. It is not clear if any detailed report was sent to the Chief Engineer and his approval obtained to the use of cement. The file does not show that his approval was obtained

The fact remains that the Executive Engineer had purchased large quantities of cement and made use of them for works inspite of the adverse results obtained in the tests carried out in the Engineering College Laboratory. How the rates paid for cement mortar of 1:6 and 1:8 compare with the rates for surki mortar and whether the works that are now going on without the specific approval of the Chief Engineer for the use of cement in place of surki mortar are done cheaper and sounder than the estimated rates which provide only for surki mortar are points that require to be examined closely. The Executive Engineer should first have obtained the approval of the Chief Engineer for the deviations from the sanctioned estimates, worked out the rates, calculated the cement required every quarter and then placed the orders. The necessity for placing large orders for cement in large quantities with the suppliers appears to have arisen as explained above. Besides, this, there were also several works connected with the Irwin Canal system requiring small quantities of cement in the ordinary course. That the bulk of the cement purchases was made in 1933-34 only is shown by the Statement (A). After the Executive Engineer had convinced himself of the necessity for large purchases of cement, he came to the question of placing orders. As per S.P.C.Rules, the Heads of Departments are required to call for indents of all stores required for the ensuing year well in advance and send them to the S.P.C. for consolidation and placing of orders. Accordingly the Executive Engineer, Irwin Canal Division, called for indents from the several Sub Divisions yearly and in response to this the total indents for cement recement received in 32-33, 33-34 and 34-35 are shown below. It will be seen therefrom that there is a very marked disparity between the indent and the supply. It would appear that the indent was sent more as a matter of

formality and that the supplies were got without any reference to the indents at any stage.

Indent sent to S.P.C. as per requirements of S.D.O	Cement purchased from Messrs. B.V.N & Co., as per paid bills.
32-33 12 tons or 240 bags	.. 760 bags
33-34 15 .. .. 300 ..	.. 3660 ..
34-35 160 .. ..3200 ..	

6. ORDERS FOR SUPPLY.

It is a well established rule that if any article of value is required for works or stock in a Division there should be a written order of the Executive Engineer which should take into account the balance of stock in hand and the present and future needs. Then orders are to be placed with the suppliers either for replenishing the stock or for immediate use on works in progress. Before issuing the order, the Executive Engineer is expected to scrutinise it carefully to see that the supply is got only to meet the immediate requirements and that unnecessary accumulation of stock is not allowed thereby resulting in the unnecessary locking up of funds. This fundamental rule does not appear to have been observed in this Division.

7. From a perusal of the file of orders placed with the Firm, office copies of all the orders placed with the firm of Messrs. B.V.Narayanaswami & Co., for supply of cement are not forth coming. Only some of them can be traced in the file, some with the Executive Engineer's initials, others without the Executive Engineer's initials, some seen by the Divisional Accountant and again others without his initials. Some of the numbers can be traced only in the "To Register" of the Division Office. Vide extracts below:-

Executive Engineer's No. and Date.	Quantity ordered.	Remarks made by Store keeper in the draft.
143 dated 21-7-1932	40 bags	Cement bags are out of stock hence this order.
1051 ,, 22-12-'32	60 bags	

Executive Engineer's No. and Date.	Quantity ordered.	Remarks made by store keeper in the draft
There is an order for supply of 200 bags corrected to 300 bags and issued but not attested by the Executive Engineer		
14-2-34	20 to 22 tons	Approved by the Executive Engineer

(a). On 1st March 34, the Assitant Engineer, No.11 Sub Division, Mandya, sent a requisition for 33 tons of cement and it is seen that the Store keeper has remarked "Balance on hand 50 bags" (Figure 50 is found corrected) and obtained orders for 23 tons.

In the order No.1625 dated 2/3-3-34 for 22 tons of cement the draft has not been approved by the Executive Engineer. In this letter the store keeper has also written in his own handwriting "The usual supply of balance cement 18 tons may be sent as per previous order." This letter has not also passed through the Accountant.

(b). On 1st March 34, the Assistant Engineer, No.11 Sub Division, Mandya, had put up a memo intimating that about 44 (corrected to 33) tons of cement were required. The store keeper had remarked "Balance on hand 50 bags (50 found corrected to 100 and not legible) and orders of the Executive Engineer were obtained for 23 tons. This was approved by the Executive Engineer as "To Pay may be ordered" (Initialled) NS/2-3-34 (This draft has also not passed through the Accountant)

(c). The Executive Engineer's No.1773 dated 14-3-34 for a further supply of 22 tons (in continuation of No.1625 dated 2/3-3-34) has also not passed through the Accountant.

(d). Again in response to a circular calling for cement indents from the Sub Division Officers, the Assistant Engineer, No.1 Sub Division wrote in his No.1266 dated 18-4-34 that about 100 bags of cement were required and No.11 Sub Division Officer

wrote to say that about 36 tons were required.

(e). From a memo submitted by the store keeper on 19-4-34 it is seen that the balance of cement in stock was shown as 100 bags and the present Executive Engineer passed the memo for placing orders for one wagon load. (This memo also has not passed through the Accountant).

(f). Draft order No.2422 dated 25/26-5-34 for supply of two wagons (this draft is seen by the Accountant). Before this order was approved by the Executive Engineer there is a memo put up by the Store keeper as follows:-

Out of 440 bags of cement received on 9-5-34 we have got only about 50 bags in stock. The requirements of cement bags to No.1 and 2 Sub Division Offices work up to about 136 tons for the year ending June 34. As it requires 10 to 12 days for the consignment to reach this place from Shahabad orders are requested to place the orders for two wagons, one wagon to reach this place on or before the end of May 34, and another wagon on 12th June 34. (Signed) R.K/25-4-34.

Submitted.

One wagon may kindly be arranged to be got by the end of this month and another by the 12th of June 34.

Sd/- M.C.Sampathaiengar,
25-5-34.

S.K. Please order accordingly. The firm should supply the materials in time.

Id. M.S
25-5-34

Id. C.T.N.
25-5-34.

(g). It is seen from a letter found in the file that the Executive Engineer had acknowledged in No.1038 dated 8/11-12-33 the receipt sent by the Bank of Mysore, acknowledging certain payments made to them for cement supplied by Messrs. B.V. Narayanaswami & Co., (re: bills dated 26-7-33 and 31-7-33) amount of payment not mentioned in this letter) and sent a copy to the firm for information. There was some space

left between the words "Information" in the last line and the signature of the Executive Engineer and in this space the following is found typed afresh and interpolated.

"Please enter order and arrange to supply sixty tons of cement to Mandya Railway Station of 200 bags each time with an interval of 10 to 12 days. The first consignment may be despatched in full wagon load about 20 to 23 tons on or before the 25th instant." (Please acknowledge the receipt of this communication). The words in bracket are in the store keeper's own hand writing.

8(a). When on 1-3-34 the store keeper noted that the balance of stock was only 50, the book balance was 962 bags. The Executive Engineer, Mr.N.Subba Rao, had ordered on 2-3-34 that cement might be ordered "To Pay." In this connection it may be stated that as per S.P.C.Rules the firm is bound to supply cement freight paid and it is not clear why the Executive Engineer noted as "To Pay" on the memo and why he failed to verify the stock balance on hand before placing the order.

(b). On 19-4-34 against the indent of No.11 Sub Division for 36 tons, the store keeper has remarked that the balance in stock was only 100 bags whereas the balance at the end of March 34 as per "A"Form Register was 923.

(c). Again in his memo dated 25-4-34 the store keeper has noted that there were only 50 bags of cement in stock against the book balance of 891 at the end of April 34. The Executive Engineer (present) had also passed orders for supply of one wagon.

9. It will therefore be seen that the store keeper was given full ~~freedom~~ freedom to indent upon the firm as he liked and he found that he could get the Executive Engineer to approve any indent which he placed before him. Why most of his drafts did not pass through the Divisional Accountant and why the

Executive Engineer permitted the store keeper to submit his drafts direct without scrutiny by the ministerial head of the office is also not clear. How the fair copies of drafts which had not been approved by the Executive Engineer were issued and how interpolations which were not in the drafts were allowed to get into the fair copies are matters that require departmental investigation.

10. It was also seen that when bills were received from the firms for payment, theywere being passed on to the store keeper for necessary action without entering the bills both in the B.R.Register and the Register of liabilities. The Register of liabilities appears to have been maintained more to satisfy the requirements of the code than to detect such errors in payments or liabilities pending clearance. These bills would be removed by and kept with the store keeper for entry in the measurement book. The store keeper used to enter the bills in the measurement books and submit them for being audited and passed in the Accounts Branch. It is seen that the Executive Engineer Mr.N.Subba Rao had not dated his initials to most of these entries in the measurement book and has not also added the words "checked and found correct" to his initials. How without the check measurement certificate of any responsible Executive Officer, the bills were passed by the Divisional Accountant is not clear. The Divisional Accountant should have insisted on the materials being checked and certified to by a responsible officer, before passing the bills for payment. But the measurement book entries show that the entries were also initialled automatically by the Divisional Accountant. The certificate of counting of pages of measurement book No.1881 vide page (!) of measurement book No.1866 is not also initialled either by the Accountant or the Executive Engineer.

11. The measurement book No.1866 (pages 23 to 30) containing

entries for purchases of stores and entered by the store keeper has been initialled by the present Executive Engineer who has also failed to note the certificate of check measurement in the measurement book. It is not clear from this whether he has verified and checked the receipt of store articles in the Divisional stores and satisfied himself of the fact of receipt before passing the claims. He has passed cement bills for

Rs.1,457- 8-0	on 20-4-34	for 22	tons,
1,457- 8-0	26-4-34	22	..
1,523-12-0	19-6-34	23	..
1,523-12-0	21-6-34	23	..
1,857-10-0	21-7-34	41	..

and if he had only checked the stores at any time before passing the bills he could have detected the fraud very much earlier.

12. Another stage at which the fraud might have been discovered was when bills for supply of cement were received for payment provided that they had been checked with reference to (1) the annual indent (2) the orders placed with the firm and quoted by the firm in their letter (3) the necessity for obtaining such large quantities at such frequent intervals (4) how the cement purchased from time to time was being stacked in the Divisional stores and (5) the check measurement certificate of a responsible Executive Officer given after proper verification of the entries made by the store keeper. No scrutiny either over the indents or the articles obtained was exercised as seen from the documents filed in the Division Office and referred to above. The Executive Engineer must have been aware that there is very limited space in the Divisional stores to accommodate more than 2 wagons of cement at a time and yet how he went on placing orders for about 6 wagon loads in the space of 3 months without verifying the actual issues and the balances on hand is not clear.

It was also observed that the account of Daily receipt (Form No.17) which is the initial record maintained by the store keeper was not being sent to the Accounts branch along with the measurement book at the time of passing the bills. This is a serious omission which should not have been permitted to occur. The Executive Engineer was initialling the stock certificate on the bills without even seeing whether the necessary entries had been made in the Register of Daily stock receipts referred to above. As a direct consequence of the above wrong procedure the omission of the store keeper to take into account 820 bags of cement received in June 34 and paid for as per bill No.B.R.47 dated 20-7-34 for Rs.1,857-10-0 and certified as receipted in store keeper accounts and page 29 of measurement book No.1866 was not discovered until the "A" Form register was posted in September 34. This quantity is included in the total shortage of cement reported as accountable by the store keeper. This bill has not also found a place even in the Register of liabilities. The store keeper evaded accounting for this quantity in his daily receipt register for June 34, July 34, August 34 and September 34.

13. It is also ascertained that there was no regular counting and handing over of stores when there was the change of Executive Engineers in March 34, as there are no counting certificates for the period available. How both the officers failed to exercise their important duties in this respect as laid down in the Code is a point for consideration (vide paras 637 & 648 of the Mysore Public Works Account Code.

COUNTING CERTIFICATES OF STOCK FOR THE HALF YEAR ENDING 30-6-34.

14. It is seen from the office copies of stock counting certificates maintained in the Division, that the receipts and issues relating to cement are shown as follows:-

Opening Balance	Receipts.	Total.	Issues.	Balance.	Issues for July.	Aug.	Counted.	Vrs
475	2640	3115	1717½	1397½	384	209	793	12

Although the above balance is not correct as per accounts, the store keeper has manipulated the figures and shown the balance as 793 which the Executive Engineer has certified as counted and checked on 3-9-34. The above accounts do not show the receipt of 820 bags in June 34. The issues in July 34 should have been 154 against 384 (manipulated figures shown by the store keeper). It is therefore not clear how the Executive Engineer was able to accept the store keeper's account and count 793 bags without verifying what the book balance should be as per account figures.

Subsequently on 22-9-34 the Executive Engineer has counted 398 cement bags as per report submitted to the Chief Engineer in his No.226 dated 23-9-34 and he has reported that the shortage was 1335 bags. It is clear from the above that the "A" Form Registers were not posted till after the middle of September 34 and it is only after posting the "A" Form Register that the Executive Engineer was able to report the loss to the Chief Engineer. The inordinate delay in posting this important record requires explanation.

15. In order to make certain that all the 398 bags shown as counted on 22-9-34 actually contained cement and nothing else, the Executive Engineer was requested to verify the contents of each bag. He got this done immediately and intimated that all the 398 bags contained only cement. From the store keeper's daily account of receipts Form No.17 it is seen that the total receipts of cement bags from 1st July 32 to end of June 34 are 3600 bags against the actual purchases of 4420 bags as per accounts. He has as explained above left out of account altogether 820 bags received in June 34 and paid for in July 34

CONSIGNMENTS OF CEMENT NOT PAID FOR BUT RECEIVED BY THE STORE KEEPER AND NOT RECEIPTED IN THE ACCOUNTS OF THE DIVISION

16. It is seen that Messrs B.V.Narayanaswami & Co., have preferred a claim for Rs.4,359/- in their letter dated 27-9-34 for supplies of cement stated to have been made to the Executive Engineer. It is stated in that letter that the supply was made as per the Executive Engineer's order No.193 dated 25-7-34. The firm say that they sent the Railway invoice and the amount required to pay for the freight on the consignment by insured post for Rs.1,377-11-0. This has evidently been acknowledged and delivery taken. But who acknowledged the amount and how it was accounted for it not traceable in accounts. Neither the daily receipt nor the stock accounts show that any such consignment was received and receipted in in accounts from July 34 to September 34. No office copies of the orders of the Executive Engineer are traceable in the indent file. On a verification of the connected documents and registers i.e., "To Registers" the following information was gathered:-

(i) There is a reference to a No.2624 dated 19-6-34 being the indent for supplying 2 more wagons (copy of the original indent is not available in the office)

(2) The Executive Engineer in his No.192 dated 24-7-34 has informed the Bank of Mysore, Bangalore, that the bills for Rs.1,877-10-0 have been forwarded to the Comptroller for payment. In his No.193 dated 24-7-34 forwarding a copy of the above to Messrs B.V.N.& Co., for information the firm is asked to supply cement quoted in the docket (not found in the file).

(3) There is a reference to the Executive Engineer's No.286 dated 2-8-34 to Messrs B.V.N & Co., forwarding vouchers Nos. 77, 78 79 (This refers probably to Railway receipts for taking delivery of three wagons of cement but not receipted

in accounts. No indent found in the file).

In view of the above facts which proved clearly that the store keeper was getting consignments of cement and disposing of them without the knowledge of the Executive Engineer, the Executive Engineer was requested to write and ascertain from all the firms with which the Division has been dealing to send a clearance statement for payments due if any for supplies made in the name of the Executive Engineer but not receipted in the Executive Engineer's accounts.

It may be that there are other claims against the Division from firms for supplies of other articles also made on regular indents not found in the file of the Executive Engineer and not also receipted in the Executive Engineer's accounts. Several such claims appear to have come to the notice of the Executive Engineer after the arrest of the store keeper. In addition to cement the store keeper appears to have received and disposed of zinc sheets worth Rs.3,000/- without the knowledge of the Executive Engineer.

17. So far as the actual shortage of cement in the Divisional stores in respect of stocks receipted in accounts and paid for is concerned the detailed audit of the accounts for two years shows as per details below a shortage of 1347 bags against the shortage of 1335 reported by the Executive Engineer. This works out at Rs.3-12-0 per bag (the issue rate in the Division Rs.3-6-0 plus 0-6-0 centage) to Rs.5,051-4-0 which may be taken as the value of cement belonging to Government actually stolen from the stores.

Statement showing shortage in cement bags at the end of Sept 34.

The ~~opening~~ closing balance at the end of June 1932 as per Counting certificate. ...	34
Purchases made in 32-33 and 33-34 ...	4420
	4454

Issues to end of June 34.	...	2220
Balance	...	2234
Issues in July, August and September 34 as per vouchers.		489
Balance	...	1745
Counted on 22nd September 34.		398
Shortage	...	1347.

1347 bags at Rs.3-12-0 works upto a loss of Rs.5,051-4-0.

18. As referred to in para 14 the store keeper had tampered with the issue figures in his issue register for the month of July in order to agree the book balance with the figure of 793 cement bags counted by the Executive Engineer on ~~2x6~~ 3-9-34. The following particulars were on record.

JULY 34 VOUCHERS.

(i). Indent dated 5-7-34 from Venkata Rao, Suboverseer, for 10 bags. It is found that this indent was signed by one Mr.K.N.Ramaswamy Iyengar for No.11 Sub Division Officer and initialled also by the Assistant Engineer Mr.M.C.Sampathaiengar. The store keeper has issued 10 bags and afterward this No.10 is found corrected to 110 (the two ones 1) being in different ink evidently the No.10 being over written so as to agree with the ink used by the Sub Division clerk, who has acknowledged only 10 bags on the indent which is also found corrected. There is a remark on the indent by the Police Inspector as follows:-

"Compared with individual account, one in the hundredths place is an insertion. There is some change in the ink also. Receipt for 110 bags the digit in the hundredth's place is a mixture of Red and Black ink initialled and left back for purposes of audit."

Sd/- H.M.Nurulla,
23-9-34.

(2). Indent No.3 dated 5-7-34 signed by N.Venkoba Rao for 20 bags shown as issued 20 bags and afterwards one inserted before 20 making it 120. Remarks of Police "The digit in the hundredth's place viz., 1 is an insertion and of a different ink. 20 only is written in words. Initialled and left behind for purposes of audit."

Sd/- H.M.Narulla,
23-9-34.

(3). Indent No.5 dated 5-7-34 for cement bags 30. H.S.Srinivasa Rao, Sub overseer, the quantity 30. Remarks of Police "There seems to be an attempt to change 30 to 130 and subsequently it is scored off. The date of receipt is changed from 9 to 10."

Sd/- H.M.Narulla,
23-9-34.

(4). Indent No.8 dated 13-7-34 from Mr.M.C.Sampatha Iyengar, No.11 Sub Division Officer, 6 cement bags for Mandya tank works. Issued and 6 made into 36 by using the same kind of ink. Remarks of Police "Three in the tenth's place is an insertion and of a different ink. The receipt is only for six bags and six is written in words."

Sd/- H.M.Narulla,
23-9-34.

(5). Indent dated 17-7-34 of No.11 Sub Division for 12 bags and issued on 22-7-34. It is seen in this indent also that in the figure 12 the digit 2 is found overwritten for 0. There is however the acknowledgment of the Sub Division clerk for 12 bags. Whether the Sub Division acknowledgment is for 10 or 12 requires to be verified.

MISCELLANEOUS IRREGULARITIES NOTICED IN INDENTS WITHIN THE DN. VOUCHERS FOR AUGUST 1934.

19. (i).Indent No. dated 2-8-34 from D.Krishnappa, Suboverseer for 15 bags. The store keeper's daily receipt also shows

15 but it is found here also that the figure 15 is attempted to be corrected into 150.

(2). There is only a slip of paper with a note as follows:- Supplied 5 bags cement on 14-8-34 to the Superintendent, Irwin Canal Farm.

Initialled. R.K.14-8-34.

Particulars regarding the indent of the farm, when the supply was made and when it was acknowledged are missing.

(3). Supplied 3 bags cement on 25-8-34. Do — Do —

(4). It is seen from the file of vouchers that on an indent sent in by Mr.P.Ramachandra Rao, Suboverseer, on 18-6-34 for 15 bags cement for 23rd distributaries and outlets orders were passed by the Executive Engineer for issue on 19-6-34, another indent sent by Mr.M.Rama Rao, Suboverseer, on 23-5-34 for 20 cement bags is also available. It is not known if the indents have been complied with or not as the issues do not appear in the accounts for June 34 and May 34. Such instances however show that the issues were not made in a regular manner and that the subordinates concerned did not also insist on the immediate compliance of their indents.

SEPTEMBER 1934 STOCK VOUCHERS.

(5). Indent dated 1-9-34 from Mr.V.K.Mukundam for cement 10 bags for constructing sluice in Cauvery Branch. There is neither the acknowledgment of the indenting officer nor the orders of the Executive Engineer to issue. It is however shown as issues in the store keeper's daily issues and the indent bears the signature of one Siddayyanakoppal Nanjaiyya.

(6). One Mr.Dhanakoti sent an indent on 6th September 34 to the Assistant Engineer, No.11 Sub Division for supply of 20 bags of cement. On this the Assistant Engineer has ordered the Divisional store keeper to supply. There was no need

to refer this to the store keeper of the Division as the supply was required to be made from the Sub Division stock. The Sub Division clerk, has noted on the indent as "Issued, Received." In regard to the latter remark it was explained that the indent was received back from the store keeper and ~~&~~ issues made from Sub divisional stock balance only. Subsequently it is seen that this very same indent has been removed from No.11 Sub Division and included in the store keeper's daily issues for September and 20 bags shown as issued. As this quantity is also shown correctly as issued in the Sub Divisional Accounts for September 34, it is to be inferred that the issue shown by the store keeper in his accounts is a fictitious one to reduce his balance. This, therefore, raises the shortage by 20 bags. This is taken into calculation in arriving at the correct quantity of 1347 bags referred to in para 17 above.

20. From the entries made in the store keeper's imprest accounts it is seen that cart hire has been paid on 3720 bags against 3600 bags receipted in store keeper's accounts. The actual purchases made during this period under review however come to 4420 bags. (There are no imprest accounts found in the file for January 33 and December 32). He does not appear to have paid loading and unloading charges on 360 bags in April and May 33.

Receipts as per Store Keeper's Daily receipts. Form No.17 ~~Rxxx6Nxx17~~

		No.of bags received.	
July 32	26-7-32 ...	40	
January 33	28-12-32 ...	60	(Receipted in Decr taken into accounts in Jan 33).
April 33	18- 4-33 ...	60	
	27- 4-33 ...	100	
May 33	3- 5-33 ...	200	
June 33	1- 6-33 ...	200	
	3- 6-33 ...	100	
July 33	12- 7-33 ...	200	
August to December 33	...	Nil	
January 34	24-12-33 ...	440	Receipted in Decr 24th taken into accounts in Jan 34.

		No.of bags received
February 34	28-1-34	200
	20-2-34	200
April 34	9-4-34	440
May 34	9-5-34	440
June 34	6-6-34	460
	16-6-34	460
July 34	...	nil
August 34	...	nil
September 34	...	No account opened
	Total	3600 bags

Abstract of unloading charges & cart hire paid on cement purchased.

Month.	Unloading charges paid.	Cart hire paid	Quantity.
July 32	0- 8-0	2- 0-0	40 as per daily receipt. No mention of quantity in I.C. sheet.
April 33	..	3- 4-0	160 as per daily receipt.
May 33	..	7- 8-0	200 bags
June 33	3-12-0 (10 tons cement) 1-12-0 (5 tons)	3-12-0	100 bags
Aug 33	..	7- 8-0	200 ..
Feb 34	2- 8-0 (one wagon)	7- 8-0	200 ,,
March 34	2- 8-0 (one wagon)	7- 8-0	200 ,,
April 34	2- 8-0 (2 wagons)	16- 8-0	440 ,,
May 34	2- 8-0 (2 wagons)	16- 8-0	440
			1580
June 34	2-8-0	17- 4-0	460 bags
	2-8-0	17- 4-0	460 ,,
	5-0-0	16- 8-0	440 ,,
		14- 4-0	380 ,,
			1740

Statement showing the cart hire paid for cement received in stores as per store keeper's imprest account. .. ..

July 32.	Vr No.6 26-7-32	Paid to Channaiya for supplying 2 coolies for loading and unloading cement as per Nominal roll	0- 8-0
,,	-do-	Paid to Boriah cart hire for carting cement in 4 trips as per hand receipt.	2- 0-0
April 33	Vr No.1 1-4-33	Paid to Rama Setti cart hire for carting cement as per voucher.	3- 4-0
May 33	3-5-33	Paid to Syed Sultan, cart hire for carting 200 bags cement as per Voucher.	7- 8-0
~~Rekx22~~ June 33	Vr No.2 1-6-33	Paid to Nathayya, unloading charges of 10 ton cement ..	3-12-0
,,	.. 3 3-6-33	- do - - do - - do - 5 tons cement ..	1-12-0
,,	.. 4 3-6-33	Paid to Hosahalli Kallayya cart hire for carting 100 bags cement.	3-12-0
May 34	Vr No.1 9-5-34	Paid to Kallahiah Lingayya unloading charges of 2 small waggon of cement.	2- 8-0
,,	.. 2 10-5-34	Paid to Sheik Dawood cart hire for carting 440 bags cement in 44 carts.	16- 8-0
June 34	.. 1 6-6-34	Paid to Kalliah Venkatappa unloading charges of 460 bags cement in 2 wagons at 230 per wagon at 1-4-0 ..	2- 8-0
,,	.. 2 6-6-34	Paid to Syed Ameer cart hire for carting 460 bags cement in 46 carts ..	17- 4-0
,,	.. 2 16-6-34	Paid to Kalliah Channiah for unloading 2 wagons cement ..	2- 8-0
,,	.. 3 20-6-34	Paid to Sheik Dawood cart hire for carting 460 bags cement in 46 carts at 6 as each ..	17- 4-0
,,	.. 1 27-6-34	Paid to Kalliah Channiah unloading charges of 4 wagons cement at Re.1-4-0 ..	5- 0-0
,,	.. 2 27-6-34	Paid to Syed Ameer cart hire for carting 440 bags cement in 46 carts at 6 as. ..	16- 8-0
,,	.. 3 28-6-34	- do - 380 bags in 38 carts ..	14- 4-0

aug 33 & april 34 please see page 21. x x x

Aug 33	Vr No.2 12-8-33	Paid to Adam Sait cart hire for carting 200 bags cement.	7-8-0
Feb 34	Vr No.7 7-2-34	Paid Hosahalli Kalliah for unloading charges of one wagon cement. ..	2-8-0
,,	Vr No.8 8-2-34	Paid to Hosahalli Channiah cart hire for carting 200 bags cement.	7-8-0
Mar 34	Vr No.5 2-3-34	Paid to Hosahalli Boriah unloading charges of one wagon cement.	2-8-0
,,	Vr No.6 3-3-34	Paid Kalayya cart hire for carting 200 bags ..	7-8-0
April 34	.. 2 9-4-34	Paid to Lingayya unloading charges of two wagons cement at Railway Station. ..	2-8-0
,,	.. 3 9-4-34	Paid to Shaik Dawood cart hire for carting 440 bags cement. ..	16-8-0

MISCELLANEOUS OBSERVATIONS ON INDENTS AND RECEIPTS.

21. (1) Order No.1763 Not signed by the Executive Engineer. Quantity reduced to 100 bags. The order was for 200 bags and has been altered to 300 without attestation and approval.

(2). Indent No.7 for July 32 dated 2-7-32 by K.Raghavachar, Sub overseer. For the indent of four cement bags, the query of the Executive Engineer enquiring what the total q-uantity of cement bags was that were issued to the particular work during the previous year, does not appear to have been answered. Any how the entire quantity indented for was issued to the suboverseer.

(3). Indent No.8 for October 32 from No.1 S.D.O. The indent is for the supply of 10 bags of cement and 1½ mds of wire nails. It is not known when the former was supplied as no information of issue is forth coming in the indent, nor is the article acknowledged by No.1 Sub Division Officer.

(4). Indent No.7 for October 32 from No.1 S.D.O. The

issue order does not bear the signature of the Executive Engineer. In the same indent, only the following are required to be supplied.

M.S. rounds 216, Coal tar 100 lbs (Kerosine oil 4 tins is an interpolation). As against these, the supply made is as follows:-

4 tins of kerosine oil, 12 gallons of petrol, 110 lbs of tar. No mention is made in the indent about the supply of petrol. The tar required as shown in the indent was only 100 lbs but the quantity supplied is 11 lbs.

(5). The balance of cement bags at the end of October 32 is noted to be 3 against 2 shown in the S.D.O.return of No.1 S.D.O. for October. This has not been altered though pointed out by the S.D.O. in No.479 dated 3-11-32, but taken to account by the S.D.O. in his return for the subsequent month.

(6). No.2 Sub Division has submitted 2 stock returns for December 32 showing differences in the opening balance of cement and other articles. It is not known which of the 2 statements is correct.

(7). Indent No.9 for December 32. Issue of 2 bags of cement to Mr.K.Raghavachar. The acknowledgment of the Sub overseer has not been taken in token of receipt of the article.

(8) Indent No. nil dated nil for May 33. (After indent No.16). The blank indent form noticed above bears the thumb impression of Mulchatti Lingaiya. The object with which his acknowledgment was taken is not understood.

(9). Indent No.21 for June 33. The quantity of cement bags indented for as noted originally was only 2, but has been subsequently overwritten as 3. The daily issue register of the store keeper shows issue of 3 bags of cement. The officer indenting for the supply has simply stated "Received

the above." It is not possible to detect who it was that made the overwriting entry. This quantity has been taken to Sub Divisional monthly return.

(10). One Mr. K.Raghavachar, Sub Overseer, has been employed in head quarters for carrying out all works departmentally. He has been employing a number of coolies and getting work done and making payments on ~~xxxx~~ nominal rolls. Whether his work is supervised by any responsible officer by working out the date-sheet for each work and comparing it with the issues of materials shown in his returns cannot be made out. In respect of receipts of store articles by this officer, no monthly return is forth coming. He has been rendering a monthly statement in respect of issue of materials to works. A monthly statement showing the opening balance at the beginning, receipts and issues and closing balance at the end of the month is not being received and hence there is no possibility of verifying the balances of store articles against this officer. (The monthly receipts and issues were shown in the half yearly return of the suboverseer). Issues were ~~xxfx~~ verified with work bills, adjustments and receipts with the store keeper's daily issue register. Why the sub-~~xxx~~ overseer was treated as a separate unit for purposes of rendering accounts in respect of receipt and issues of articles instead of counting him as a part of the head quarter Sub Division is not understood. This discrepancy was pointed out in the Inspection Report for January 33 and November 33 and the balances of the articles remaining with the suboverseer were transferred to No.11 Sub Division since July 33. He has drawn so far, from the Division stores (as far as accounts go) 115 bags of cement and his accounts are now merged in No.11 Sub Division accounts. When there is trained labour available locally the object of employing a senior Suboverseer for carrying out works which can be got done, perhaps, at less cost to Government by calling for tenders

by calling for tenders is not clear

22. In the following cases the indents were not seen either by the Executive Engineer or the Accountant in token of authority for issues of articles noted therein:-

Month.	Indent No.	
November 33	11	For issue of 1 bag of cement,
February 34	8	For issue of 3 bags of cement (No orders of Executive Engineer, the indent is not in the proper form)
-do-	13	Indent for supply of cement bags 8 in number has been marked with a zero without explaining what the mark would mean. This assumed that the supply was not made. A remark to this effect should have been made.
March 34	6	For issue of 10 bags of cement. No order of the Executive Engineer for the issue that the article has been recorded to have been issued to the indenting officer.
-do-	14	- do - - do -
April 34	11	Indent No.2 for the supply of 24 cement bags from No.11 Sub Division Officer, the quantity required having been written in words also besides in figures (An attempt appears to have been made to alter the figure from 24 to 124 by inserting one before the figure 2. Thinking this would serve no purpose as the quantity required had been written in words, the figure one was then taken to makr it appear in the rounding of the figure 24 originally put by the indenting officer. The ink appears to be the same as is used to put the signature of the store keeper).

ZINC SHEETS.

23. (1). The construction of zinc sheet store sheds at Ganadalu Agricultural Farm was taken up by the Executive Engineer. Accordingly the work was entrusted to the Assistant Engineer in charge of No.1 Sub Division who sent in a list of articles required. The Executive Engineer sent his indent in his No.538 dated 22-9-33 to Messrs. M.N.Hussen & Co.,

for supply of the following materials required for the above works.

G.I.zinc sheets	8'	..	60
- do -	7'	..	72
Plain	6'	..	6
F.I.Bars M.S.40 ft		..	40 rt

It is seen from the indent that the Executive Engineer has not initialled in the place provided therefor but under the details of articles without dating his initials. Hence it cannot be said when the indent was approved by the Executive Engineer.

(2). Next there is the Executive Engineer's indent No.1209 dated 26/27-1-33 to Messrs M.N.Hussen & Co., for supply of 8 plain zinc sheets approved by the Executive Engineer (without date).

(3). The next indent is the Executive Engineer's No.1283 dated 8-2-33 to Messrs. M.N.Hussen & Co., for supplying 80 C.Zinc sheets (7' by 2¾'). The indent is approved by the Executive Engineer but without date. The firm quotes in their bill No.264 dated 9-2-33 the indent number as 1253 dated 2-2-33 against the Executive Engineer's order No.1209 dated 26/27-1-33.

(4). The next one is the Executive Engineer's No.1564 dated 18-3-33 for supply of 100 C.Z.sheets. No copy of the order placed with the firm is traceable in the file but it is seen from the "To Register" that an entry is made in the handwriting of the store keeper and the purchase made is taken to stock. The necessity for this purchase and whether this was done under orders of the Executive Engineer and how the new zinc sheets were disposed of cannot be made out from the records.

(5). From the file of indents it is seen that an order had been placed for 200 zinc sheets together with certain other articles with Messrs M.N.Hussen & Co., and approved by the Executive Engineer (date not noted) and number with which

it was issued is not also noted on the office copy. Whether this order was despatched to the firm and if so, when and for what quantity cannot be traced. No reference is forth coming regarding the receipt of the article on the original indents.

24. The purchases made so far and brought on to the Executive Engineer's accounts are shown below:-

Ex Engr's No.1283 dated 8-2-33. Bill No.3 (not legible) Messrs M.N.Hussen & Co., dated 17-2-33 for 80 C.Z.sheets 7' long 2¾' wide 15-2-18 Cwts at Rs.18-13-2 ... ... Rs.205-8-9

Rounding 0-7-3

Paid .. Rs. 206-0-0

Charged to Ganadalu Agricultural Farm shed.

Ex Engineer's No.538 dated 22-9-33 Bill No.1128 dated 8-10-33 of Messrs M.N.Hussen & Co., for supplying G.I.sheets 7' .. 72
-do- 8' .. 60
Plain 6' .. 6
138

Amount paid .. Rs.373
charged to Agricultural Farm shed at Ganadalu.

Ex Engr's No.1564 dated 16-3-33, Bill No.421 dated 25-3-33 of Messrs M.N.Hussen & Co., for C.I.Zinc sheets 7' long 50. Rs.125-0-0 chargeable to stock.

- do - - do - No.419 dated 24-3-34 of 8' length. No.50 .. Rs.142-13-6
Rounding . 143- 0-0

- do - No.1253 dated 2-2-33 M.N.Hussen & Co., bill No.264 dated 9-2-33 for supplying 8 plain sheets of 6' length Rs.19-4-0 charged to store shed at Agricultural Farm paid in February 33.

13 sheets received from Tunnel Division in May 33 and shown as used for buildings amount transferred Rs.126/- Adjustment No.29 for June 33 Suppl cost of 4 zinc sheets transferred to stock from Ganadal Farm. Amount credited to Agricultural Farm by debit to stock Rs.10-5-0.

25. From the store keeper's daily receipts and issues, it is seen that about 173 zinc sheets were receipted by him

and he has shown as issues about 74 during the period from July 32 to June 34. From a comparison of the Sub Divisional returns it is observed that about 31 sheets are not receipted by the store keeper in December 32 and one in July 32 as per Sub Divisional returns and for this the store keeper has given an acknowledgment with a remark "unserviceable" but no receipt is taken in the Daily Receipts. This receipt does not bear the Executive Engineer's initials also. The store keeper had received in July 32, 85 zinc sheets as noted below:-

7 new
69 store yard,
9 with accountant.

From the returns for the half year ending 31-12-33 of Mr.Raghavachar, who was till ~~xxx~~ very recently treated as a separate unit officer, it is observed that he has acknowledged 199½ zinc sheets in July 32. He has also remarked that he had given 78 zinc sheets to the Agricultural Inspector. Hence it is not known what the correct balance was which was borne in the Divisional store accounts in July 32. Under issues about 46 zinc shhets have been issued in June 33 to the store shed at shivally. But the issue is not traceable as no memo or reference to adjustment number is given nor is it found in the stock charges of the month. The counting certificates of the Executive Engineer for the half year ending 30-6-34 reads as follows:-

46 counted
15 voucher
50 used to store keepers building.

The transactions connected with zinc sheets have not been correctly maintained and as all the zinc sheets old and new have been mixed up and released materials also stocked along with stock balances in the store yard the accounts ~~accounts~~ connected with zinc sheets could not be checked in satisfactory manner.

26. As the counting certificates of the Divisional stores of the Executive Engineer for the~~se~~ periods ending June 32 & Dec 32 were not also traceable the correct balance of zinc sheets ~~xxxxxxxxxxxxxxxxxxxxxxxx~~ could not be ascertained. In the absence of connected indents placed with firms and bills received, it is not possible to find out from the store returns, if any large orders were placed and articles received but not brought on to the stock accounts.

27. On a perusal of the Savings Bank and ~~xxxxxxxx~~ Securities Registers, it is also seen that the store keeper has not furnished any security and it is a point for consideration how he was allowed to enter on his duties without furnishing adequate security as per the rules of the Department..

Assistant Comptroller & Finl Asst,
to the Chief Engineer, K.R.S.Works.
13/10/1934

R.R

12/10/34

STATEMENT 'A'

B.R.No. & Date.	Name of Firm.	Quantity supplied.	When receipted.	When taken to Account.	Amount paid.	Measurement Book No.	Executive Engineer's Indent No.
265 / 29- 7-32	B.V.Narayana swamy & Co.,	2 Tons 40 bags	26- 7-32	July 32	Rs. 141- 0-0	1421 p.30	S.P.C.Np.1902 143 dated 21-7-32.
2231 / 6- 4-33	-do-	60 ,,	6- 4-33	April 33	206- 0-0	1866 p. 4	1565 dated 28-3-33 S.P.C.2147 dated Feb 32.
2459 / 29- 4-33	-do-	100 ,,	26- 4-33	-do-	344- 0-0	1866 p. 5	1763 dated 18-4-33
2594 / 16- 5-33	-do-	200 ,,	3- 5-33	May 33	688- 0-0	1866 p. 6	S.P.C.No.1763 dated 18-4-33
3071 / 22- 6-33	-do-	100 ,,	3- 6-33 (Date of receipt not noted in the M.Book)	June 33	344- 0-0	1866 p. 8	,, 1945 ,, 17-5-33
3070 / 22- 6-33	-do-	200 ,,	1- 6-33 (-do- -do-)	-do-	688- 0-0	-do-	,, 1945 ,, 17-5-33
161 / 31- 7-33	-do-	200 ,,	12- 7-33 (-do- -do-)	July 33	688- 0-0	-do- 13	2249 dated 26-6-33 S.P.C.2147
1954 as per M.Book							
1934 / 19- 1-34	-do-	440 ,,	24-12-33	January 34	1457- 8-0	-do- 19	1039 dated 11-12-33.
2574 / 10-3- 34	-do-	200 ,,	28- 1-34	February 34	730- 0-0	-do- 21	1039 ,, 11-12-33
2575 / 10-3- 34	-do-	200 ,,	20- 2-34	-do-	730- 0-0	-do- 22	,, ,, ,,
2917 / 28-4- 34	-do-	440 ,,	9- 4-34 (Date of receipt not been noted in the M.Book).	April 34	1457- 8-0	-do- 24	1773 ,, 14- 3-34
3159 / 25- 5-34	-do-	440 ,,	9- 5-34 (- do- -do-)	M a y 34	1457- 8-0	-do- 25	2096 ,, 24- 4-34
3457 / 16- 6-34	-do-	460 ,,	16- 6-34 (-do- -do-)	J u n e 34	1523-12-0	-do- 27	2422 ,, 26- 5-34
-- do --	-do-	460 ,,	6- 6-34 (-do- -do-)	-do-	1523-12-0	-do- 26	,, ,, ,,
47 / 20- 7-34	-do-	820 ,,	27- 6-34 (-do- -do-)	(To be seen in the receipts for July 34).	1857-10-0	-do- 29	2624 ,, 18- 6-34.
1557 / 7- 1-33	-do-	60 ,, 3 tons	6- 1-33	January 33	206- 0-0 (Payment by R.T.R)	1421 p.47	1051 ,, 21-12-32.

This is an order for the supply without the approval of the Executive Engineer.

The Executive Engineer has not noted his initials against the B.R. in the following pages of measurement book No.1421 p.37, B.R.718; p 43 B.R.1222; p 48 B.R 1887 &

B Srinivasan
Asst COMPTROLLER. 13/10/1934

Abstract of cement issues from the Divisional store, Irwin Canal Division, Mandya, from July 32 to end of September 34 to Sub Divisions and other offices and also issue of cement for the period from Sub Divisions to works, Piece workers & other offices.

Receipts in Sub Divisions and other offices as per indents and acknowledgments in respect of issues from Division stores as per stores account of the Division and also as per Sub Division returns.								Issues from Divisions and Sub Divisions to works and Piece workers and other offices as shown in monthly returns of Sub Divisions. Vouchers & adjustment registers.					
For the Period ending.	No.1 Sub Dn.	No.11 Sub Dn.	K.Raghava char.	Issue to other Divisions	Issue as sales and issue to other Departments	Total as per Dn A/C & 'A'Form Registers	Total as per Store keeper's daily Regr of issues.	Issue as per half yearly return of the Dn.	Issues to workers etc., in No.1 Sub Division.	Issues in No.11 Sub Division.	Issues in No.111 Sub Division and K. Raghavachar	Issues to other Dns and Departments and sales.	Total as compared with the half - yearly return.
31-12-1932	38	6	21	6		71	71	61 13/48	32	11 23/24	17 5/16 K.R		61 13/48
30- 6-1933	25	22	94	30		171	171	146 3/16	30½	27 5/8	16 5/16 K.R	72	146 7/16 (Diff of ¼ bag)
31-12-1933	5	208	-	64		277	277	189 3/8	5	85 3/8		99	189 3/8
30- 6-1934	382	1316	-	-	3	1701	1701	1334 7/8	291¼	1014 3/8	26¼ (iii)	3	1334 7/8
Total to end of June 34 from 1st July 1932.	450	1552 2117	115	100	3	2220	2220	1731 17/24	358¾	1139 1/3	59 7/8	174	1731 23/24*
July & Aug 34	87	268			8	363	593 (Diff 230. Fraudulent indents)	227¾ (As per A.Form Regr of the Dn).	51	176¾			227¾ Difference of ¼ bag. Half yearly return ~~of~~ shows less by ¼ bag.
September 34	70	56	-	-	-	126	146 (Difference of 20 bags shown as issues to Sub Dn on the indent but not actually issued to Sub Dn No.11. The Sub Dn acknowledgment is for 56 while 76 has been shown as issues in the Dnl Store keeper's register).						

COMPTROLLER. 13/10/34

STATEMENT SHOWING ISSUES OF CEMENT IN IRWIN CANAL DIVISION, MANDYA, FROM

Name of the month.	Issues from the Divisional Stores.				
	As per issue register of the store keeper & Dnl A/cs with reference to indents.	Issue to No.1 Sub Dn, as -- acknowledged in the monthly return.	No.11 Sub Dn as acknowledged in the monthly return.	K.Raghavachar.	Issu to othe Dns
July 32 ..	34	20	2	12	-
August 32 ..	11	-	4	7	-
September 32 ..	-	-	-	-	-
October 32 ..	6	-	-	-	-
November 32 ..	8	8	-	-	-
December 32 ..	12	10	-	2	-
Total for 6 months for the half year 31-12-32.	71	38	6	21	-
January 33 ..	12	10	-	2	-
February 33 ..	2	2	-	-	-
March 33 ..	34	4	-	-	30 (L.C.Dr
April 33 ..	29	6	10	13	-
May 33 ..	24	-	12	12	-
June 33 ..	70	3	-	67	-
Total for the half year 30-6-1933. ..	171	25	22	94	30
July 33 ..	41	5	36	-	-
August 33 ..	11	-	11	-	-
September 33 ..	5	-	5	-	-
October 33 ..	70	-	10	-	60 (Tl Dn)
November 33 ..	74	-	74	-	-
December 33 ..	76	-	72	-	4 Mysore
Total for the half year ended 31-12-1933.	277	5	208	-	64
January 34 ..	266	48	218	-	-
February 34 ..	87	14	73	-	-
March 34 ..	139	35	104	-	-
April 34 ..	372	65	304	-	-
May 34 ..	267	90	177	-	-
June 34 ..	570	130	440	-	-
Total for the half year ended 30-6-1934.	1701	382	1316	-	-

ULY 1932 TO END OF SEPTEMBER 1934 AS VERIFIED FROM THE DIVISIONAL ACCOUNTS.

		Issues from Sub Divisions to works, Piece workers etc.,					
Issue as a sale	Issue to Civil Depart ment	Issue as per half yearly returns of the Divi- sion.	Issue to works etc., in No.1 Sub Division.	Issue in No. 11 Sub Divi- sion.	Issue in No.111 Sub Division.	K.Raghava char.	Issue as sales Tr Dnl Etc.,
-	-	9¼ bags	-	-	-	9¼	
-	-	10 3/16	3	1 5/8	-	5 9/16	
-	-	9	8	¾	-	¼	
6	-	18¾	10	8 ½	-	¼	
-	-	2 1/3	1	5/6	-	½	
-	-	11¾	10	¼	-	1½	
6	-	61 13/48	32	11 23/24	-	17 5/6	
-	-	11	8½	¾	-	1¾	
-	-	10 11/16	6½	2 7/8	-	1 9/16	
-	-	34¼	3	-	-	1¼	30 L.C.Dn.
-	-	4¼	2	2	-	¼	
-	-	11½	1	10½	-	-	
-	-	74½	9½	11½	-	11½	42 sales
-	-	146 3/16	30½	27 5/8	-	16 5/16	72
-	-	35	-	-	-	-	35 sales
-	-	18¼	5	13¼	-	-	
-	-	27	-	27	-	-	
-	-	60	-	-	-	-	60 Tr Dnl
-	-	3 1/8	-	3 1/8	-	-	
-	-	46	-	42	-	-	4 Tr Dnl
-	-	189 3/8	5	85 3/8	-	-	99
-	-	60 5/6	-	60 5/6	-	-	
-	-	234	10½	222½	1	-	
-	-	90 1/8	45½	44 5/8	-	-	
-	3 I.C.Farm.	50¼	8	39¼	-	-	3 I.C.Farm
-	-	312	44¼	263¾	4	-	
-	-	587 2/3	183	383 5/12	21¼	-	
-	-	1334 7/8	291¼	1014 3/8	26¼	-	3

Name of the Month.	Issues from the Divisional Stores.				
	As per issue register of the Store keeper & Dnl A/cs with reference to indents.	Issue to No.1 Sub Dn, as acknowledged in the monthly return.	No.11 Sub Dn as acknowledged in the monthly return.	K.Raghavachar.	Issue to other Dns.
J u l y 34 ..	384	32	122*	-	-
A u g u s t 34 ..	209	55	146	-	-
					Total of July & A
September 34. . ..	146	70	76		
T o t a l. ...	739	157	344.		

* Fraudulent figures working upto 230 bags plus 20. Total 250 bags.

R.R

		Issues from Sub Divisions to works, Piece workers etc.,					
Issue as a sale.	Issue to Civil Department.	Issue as per half yearly returns of the Division.	Issue to works etc., in No.1 Sub Division.	Issue in No. 11 Sub Division.	Issue in No. 111 Sub Division	K.Raghava char	Issue as sales Tr Dnl Etc.,
		71	4½	66½			
	8 I.C.Farm	156¾	46½	110¼			
ust 34.		227¾	51	176¾			

8

Asst V Srinivasan
COMPTROLLER.
18/8/34

2811/18/34

18/8/34

Part. I.

Report of Mr. V.T.Sreenivasan, Assistant Comptroller (W.A.D/K.R.S.Section), and Financial Assistant to the Chief Engineer, K.R.S.Works, on the detailed audit of the stock transactions relating to the purchase and issue of cement bags in the Irwin Canal Division, Mandya, for the period 1st July 32 to end of September 34.

Report of Mr. V.T.Sreenivasan, Assistant Comptroller (W.A.D/K.R.S.Section), and(Finahcial Assistant to the Chief Engineer, K.R.S.Works), on the detailed audit of the stock transactions relating to the purchase and issue of cement bags in the Irwin Canal Division, Mandya, for the period 1st July 32 to end of September 1934.

P A R T I

1. The audit was taken up in accordance with an un-official requisition received from the Chief Engineer (K.R.S.Works), on 26-9-34. It was mentioned therein that a report had been received from the Executive Engineer, Irwin Canal Division, Mandya, to the effect that a surprise check of the stock of ~~the stock of~~ cement bags on hand revealed a shortage of 1335 bags and that it was necessary to conduct a detailed audit of the transactions connected with cement to arrive at the exact quantity unaccounted for and to fix the responsibility therefor. In the meanwhile copy of a communication made to the Police by the Executive Engineer, regarding the shortage was also received by the Comptroller under Article 38(a) of the Mysore Civil Account Code - Volume I. With the approval of the Comptroller, the Superintendent in charge of the K.R.S.Audit Section and the Test Audit Accountant of the Section were deputed on 27th September 34 to conduct the detailed audit referred to above. They finished the audit on 5th October 34 and have submitted a report thereon with reference to facts and figures appearing in the original records of the Division Office. This appears as Part II. of the report. The Financial Assistant also paid a visit to Mandya, at the conclusion of the audit and his review of the position disclosed by the audit forms Part I. of this report.

2. At the outset it is necessary to explain that the misappropriation of cement bags committed by the Store keeper of the Division (R.Krishna Rao, who is now in Police custody), comes under two distinct heads. Audit is mainly concerned with the misappropriation of cement receipted in the stock accounts of the Division and paid for by Government. With reference to cement and certain other articles such as zinc sheets purchased by the store keeper in the name of the Executive Engineer and not brought into the stock accounts of the Division and for which payment has not also been made by the Executive Engineer, the matter will have to be gone into in detail in the course of the departmental enquiry which the Chief Engineer,(K.R.S.Works) has been requested to arrange for as per Article 38 A of the Mysore Civil Account Code - Vol I.

3. As R. Krishna Rao was appointed Store keeper of the Division in July 32, it was considered desirable to ~~and if~~ audit the transactions connected with cement during the whole of his tenure of that office. The result of the audit disclosed that taking the counted opening balance under cement bags of 34 on 1st July 32 as correct and also the counted balance of 398 bags on 22nd September 34 as correct, the total quantity of cement bags receipted in the Stock accounts but left unaccounted for worked-upto 1347. Taking the price of each bag (including centage) at Rs.3-12-0 each, the total loss to Government comes to Rs.5,051-4-0. (The Executive Engineer has valued the shortage at Rs.3-6-0 per bag which represents only the cost price and not the issue price).

4. Before assessing the responsibility for this loss, a few words of explanation are necessary. Under the rules in the Mysore Public Works Account Code, the Executive Engineer is solely responsible for economy and good management within his Division. In the present case, the Divisional stores are

are in the immediate charge of the Executive Engineer and his responsibility therefor is absolute and undivided. While, therefore, it cannot be disputed that the primary responsibility for the loss rests on the Executive Engineer or Engineers concerned, the question also arises whether the fraud could not have come to notice earlier in the course of the discharge of their routine duties by the Divisional Accounts staff who are borne on the establishment of the Audit Department. This question is considered in detail in para 7 of this report. It is, however, only necessary at this stage to draw attention to the rule laid down by Government in Article I(A) of the Mysore Civil Account Code - Volume I, which reads as follows:- "Every officer should realise that the correct maintenance of his accounts is as important a part of his duties as his executive work. A knowledge of the accounts and financial rules relevant to his duties is a necessary part of the equipment of every officer through whose hands Government money passes, and officers are expected to be sufficiently familiar with financial and account rules to keep an adequate check over the clerks or accountants in their offices. No officer should be allowed to plead as an excuse for a financial or accounts irregularity that he has been duped by his clerks or accountant, as it is for the officer to see that the clerk or the accountant is doing his work properly."

5. Regarding for the present, the responsibility of the executive in this matter, the following points require to be taken note of. (1) It is clear from the remarks made by the store keeper in the office copies of the indents for cement placed with Messrs. B.V.Narayanaswami & Co., that he had started the misappropriation of cement bags in stock in the month of March 34, if not earlier (vide also paras 8(a)(b)(c) of Part II of this report showing what the actual balances should have been

as per stock books when the store keeper noted some fictitious quantities as the stocks on hand). During this period two Executive Engineers have held charge of this Division, Mr.N.Subba Rao from 21-9-31 to 26-3-34 and Mr. C.T.Narasimha Iyengar, (the present Executive Engineer) from 24-3-34. There is nothing on record to show that at any time during this period either officer checked the stock on hand either at the time an indent was placed or when a bill was passed for payment. (2). A measurement book has been maintained to note receipts of cement received into stock and the entries made therein by the store keeper, have been attested by both Executive Engineers as a matter of course without actually seeing the stocks on even one occasion. The Divisional store room is practically a portion of the Divisional Office building. As noted in para 11 of Part II of the report, the present Executive Engineer, has passed five bills aggregating Rs.7,820-2-0 for the purchase of cement in the space of three months and did not feel called upon to check the stocks when he passed any one of those bills. (3). When indents were placed with the Firm for supply of cement on the basis of fictitious stock balances noted by the store keeper, either Executive Engineer could have tried to get the figures verified by the Accounts Branch. But this was also not done. (4) When bills for supply of cement were passed for payment neither Executive Engineer appears to have taken the precaution of getting them checked with the office copies of indents. (This point is also considered in connection with the responsibility of the Divisional Accounts staff), If this had been done, and as certain indents had not been placed with the knowledge of the Executive Engineer (the store keeper having made inter polations in the fair copies of letters issuing to firms), the discrepancies noticed might have aroused the suspicions of the Executive Engineer, that all was not well with the stores (5). Another stage at which the fraud should have automatically

come to notice presented itself when the present Executive Engineer took charge from his predecessor at the end of March 34. Clear rules regarding the detailed procedure to be followed when there is a transfer of charge from one Executive Engineer to another are laid down in paras 636 - 658 of the Mysore Public Works Account Code. The rules require the relieving officer to check all the actual balances under stock and tools and plant in the immediate charge of the relieved officer make a list of the same and annex it to the transfer of charge report. Not only was no such list made out but the relieving officer did not take the trouble either to check the actual stock balances with the book balances himself or get the work done by some other subordinate officer. Having failed to do this, he would appear to become liable under para 648 of the Mysore Public Works Account Code for the value of the entire shortage in stock although there can be no doubt that a portion of the total shortage relates to the period when his predecessor held charge of the Division. (6). There is another important circumstance which deserves to be mentioned in connection with this case. In the month of March 34, it was noticed in the Audit Office while auditing a bill passed for payment by the Executive Engineer, that it was in respect of two half wagon loads of cement. As the S.P.C.Indents provided for a lower rate in the case of full wagon loads of cement, the Executive Engineer was asked to explain why a full wagon load was not obtained instead of two half wagon loads as this would have resulted in a saving of Rs.135/- to Government. The explanation received was to the effect that for want of accommodation in the stores, half wagon loads had to be obtained. The bill was passed for payment and future payments were watched to see whether full wagon loads were not received by the same Division. It was found that in the month of April 34 a full wagon load of cement was received by the Division and paid for.

The matter was thereupon reported to the Chief Engineer (K.R.S) in the month of May 34 (in No.1223/WAD-KRS dated 10-5-34) and inspite of subsequent reminders a reply has not been received regarding the action taken in the matter. A significant fact in this connection is that although the ~~indent~~ indent for the two half wagon loads had been placed by the previous Executive Engineer and the bill also passed by him, the present Executive Engineer received the objected bill and passed on to audit ~~office~~ the explanation of his predecessor that there was not sufficient accommodation in the stores for a full wagon load. Had he cared to verify that palpably incorrect statement by actual inspection before passing it on to the Audit Office, he might have discovered the misappropriation earlier. It is therefore, useful to recall in this connection the following sentences that appear in para 682 of the Mysore Public Works Account Code. "These (i.e. Objections etc., from the Audit Office) should receive prompt attention. The replies of the Divisional officer should be based as far as possible, on his own knowledge. It is not enough to pass on the explanation of a subordinate; reports prepared in this manner have more than once, by lulling suspicion, led to greater irregularity afterwards."

6. Certain other irregularities in the Division that have a ~~bearing~~ bearing on this case are the following:- (1). The continued use of cement in place of surki mortar (as per sanctioned estimates) without competent sanction for such a major deviation from the sanctioned estimates (vide paras 3 & 5 of Part II of the report). (2). Purchase of cement ~~for~~ far in excess of the fore cast of requirements given to the S.P.C. and without also reporting the matter to the Chief Engineer, (K.R.S), through whom the fore-cast was sent to the S.P.C. (3). The delegation to the store keeper (a petty official on a monthly pay of Rs.45/-) of unlimited powers in the matter of

of receipt and issues of stores and the receipt of registered and even insured tappal of the Division Office. Even the small cash security of R.100/- as per Departmental orders had not been taken from this store keeper. (4). The fact that the certificate of counting the stores for the half year ending June 33 has been given by an Overseer, while the code rules require that a Gazetted officer should give the counting certificate. This point was also observed in the report of inspection on the accounts of this Division conducted in the month of November 33.

7. Regarding the share of responsibility of the Divisional Accountant (Mr.M.Singriengar) and his staff of accounts clerks for the non-detection of the misappropriation in the course of their ordinary daily duties, the following points emerged in the couse of the audit investigation:- (i). The bills for cement purchases were being passed without checking them with the office copies of indents. As the Divisional Accountant is held responsible for audit with reference to initial records in the Division, this failure of duty is inexcusable. He should have made certain that the accounts clerk B.G.Rajiengar, who was entrusted with the duty of auditing bills in respect of stock purchases carried out this elementary check in the course of his work. (2).Under the rules in the Mysore Public Works Account Code the Divisional Accountant is the Manager of the Executive Engineer's office and no paper even on matters not pertaining to accounts should pass to the Executive Engineer without his knowledge. He should not have permitted the practice under which the indents for stores did not always pass through him to the Executive Engineer. (3). In respect of cement purchases entered in the measurement book by the store keeper, the Divisional Accounant should have got the stock entries attested by the Executive Engineer before passing bills for payment. Instead, he allowed

the practice under which the Executive Engineer got the measurement book and the passed bill simultaneously for initials and signature. (4). Audit with strict reference to the detailed estimates has to be conducted only ~~tk~~ by the Divisional Accountant as detailed estimates are not received in the Audit Office under the existing rules. When the estimates provided in practically all cases for the use of surki mortar, the Divisional Accountant should have raised objection in respect of the use of cement and pressed the Executive Engineer to obtain the sanction of the Chief Engineer or Government as the case may be for the deviation. (5) Similarly when the actual purchases of cement greatly exceeded the forecast sent to the S.P.C. and the progress of work did not also appear to require such large purchases being made, he should have brought the matter specially to the notice of the Executive Engineer and obtained orders. (6). He should have seen that the acknowledgments from indenting officers were received and filed in every case with the store ~~keeper's~~ keeper's copies and checked at the time of compilation of accounts. (7). He has failed to bring to the notice of the Executive Engineer, the omission of the store keeper to bring to account the 820 bags purchased in June 34 and paid for in July 34 until he got the "A" Form register posted in September 34.

8. As against the above points which go against him, the following may be placed in favour of the Divisional ~~Accountant~~ Accountant:- (i). He has not passed any bill for stock purchases not actually receipted in the measurement book kept for the purpose. (2). He has generally checked the returns of Sub Divisions in respect of issues of stock from the Divisional stores with the store keeper's register of daily issues of stock and seen that there are no discrepancies between the two before posting the "A" Form register. In other words

as the returns showing receipts from the Sub Divisions tallied with the issues noted by the store keeper, there is no reason to disbelieve the Divisional Accountant's statement that he had no obvious grounds to suspect the bonafides of the store keeper (especially as he had failed, through over sight as he explained to carry out the checks enumerated in para 7). Although it cannot be made out from the records made available for audit that the Divisional Accountant had any bad motive in failing to exercise the prescribed checks in respect of the bills for cement purchases, there can be little doubt that both he as well as the accounts clerk B.G.Rajiengar have been negligent in their duties. They require to be transferred out the Division immediately and suitably dealt with.

9. The question might be asked whether any inkling of the misappropriations of cement that was going on could not have been obtained at the last local inspection of the Divisional accounts which was made in November 33. As is well known the test audit staff are not expected to go into questions of fact at these annual inspections and stock balances are not also required to be checked by them. Further it is only one month's accounts that are to be audited and the accounts for the month of May 33 were test audited at the last inspection and no discrepancies in accounts were observed as the store keeper has always taken care to post the issues to works correctly in his accounts and also to account for the receipts actually taken to stock. In fact he has not tried to tamper with the account returns at all, as, presumably, he felt that he would only be asking for trouble by doing so when it was so much easier to exhibit the bonafide transactions correctly, secure in the belief that the only thing that would expose him i.e. a surprise inspection of the actual stock balance with the book balance was never going to be done. Subsequent

P/

events have proved that he was quite correct in his assumption as but for the anonymous petition received by the Chief Engineer and passed on to the Executive Engineer, the fraud would have come to light only later. There is, however, one return in which he has tampered with the figures. In the abstract of daily issues for the month of July 34, he has increased the issues by about 230 bags after the register had been checked in the Accounts branch, in order to tally the balance of 798 cement bags counted by the Executive Engineer on 3-9-34, with the so-called book balance. Had the Executive Engineer insisted on getting the correct book balance on 3-9-34 or as soon as possible after that date the fraud would have come to light then alone. In any case it is sufficiently clear that a misappropriation of this kind which has to do with questions of fact the audit of which is delegated to the Departments under present rules cannot come to light either in central audit or at local inspections.

10. In the course of audit it was learnt that the store keeper had been carrying on a brisk trade in cement, zinc sheets and other goods, sometimes in the name of the Executive Engineer and some times in his own name. As these transactions have not passed through the Divisional Accounts, the test audit staff did not feel called upon to go into them. The full facts will no doubt emerge in the course of the police investigation and the departmental enquiry. The Executive Engineer wanted the transactions under zinc sheets to be checked in detail. But it was not possible to do so in a satisfactory manner as new zinc sheets bought for stock have been mixed up in the accounts with old zinc sheets got as released materials. It is desirable that the Executive Engineer is given the special assistance of a clerk for about a month to bring his stock accounts under all heads into proper order in view of

the misappropriations committed by the store keeper.

11. The audit investigation has also made it clear that the misappropriation was not in any way facilitated by ~~xxxxxxxx~~ loop-holes in existing account and other rules. It was solely due to the non observance of certain existing fundamental rules by responsible disbursing officers and to their failure to ensure that the clerical staff working under them discharged their routine duties satisfactorily. A more perfect system of control over stock purchases is understood to be in force in the Electrical Department. Whether, and if so, to what extent it is desirable to adopt that system in P.W.Divisions that make large purchases of stock articles may perhaps be separately examined.

R.R

R.Srinivasan
Assistant Comptroller & Fl:Asst.,
to the Chief Engineer,(K.R.S.Works).
13/4/34

General and Revenue Secretariat

Mandya Cement case

File No. of 193

FINANCIAL BRANCH
506
G.S.R. & R[App.]F. III-2

Serial No.

I would like to know the action taken to recover the amount lost in connection with the cement case. Though orders on the several points urged in the Comptroller's audit report may take some time, it seems desirable to recover the amount from the concerned officers, immediately, in accordance with the decision arrived by Government.

A.S. 5-8-38

P W Secretary
with compliments

D. No. 40/4.S.S.9/10.8.38.

The question of issuing the Government Order approved by Government in regard to the Mandya cement case is taken up and orders of Government will be obtained in the matter early.

Financial Secretary,)
with compliments.) 9/8/38

End 222

A.S. 10-8-38

1-10-38 The question is being dealt with in the P W Secretariat. The papers in the Financial Branch may be recorded

M 19-8-38

B

M

2

M 24-11-38 24-11-38

NOTE—Contn. Sheet.

G.7 435 34-1

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT
OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

No. 335 WAD-KRS 1504 *Bangalore, dated* 27th September 1934
Encl: One

FINANCIAL SECTION
23 SEP 1934
No.

From A.N. RAGHAVACHAR, ESQ., M.A.,
M. VENKATESA IYENGAR, ESQRS.
Comptroller to the Government of
His Highness the Maharaja of Mysore,
Bangalore.

To

S. SHAMANNA, ESQ., B.A.,

Financial Secretary to the

Government of Mysore, Bangalore.

Sir,

Subject:- Loss of cement bags worth Rs.4505-10-0 from the stores of Irwin Canal Division, Mandya.

I have the honour to state that on the 24th September 34, copy of a communication made on the above subject by the Executive Engineer, Irwin Canal Division, Mandya, to the Police Inspector of Mandya, was received in this office. A copy of the letter is enclosed herein for the information of Government.

On the 26th a memo was received by the Assistant Comptroller and Financial Assistant to the Chief Engineer, (K.R.S), from the Chief Engineer (K.R.S), asking him to take up an immediate audit of the stores transaction of the Division at Mandya. The Superintendent and Test Audit Accountant of the W.A.D/K.R.S. Audit Section of this office have been sent to day to Mandya, to commence the audit immediately. The Financial Assistant, K.R.S.Works, has also been asked to go to Mandya and to review the concerned records at the close of the audit and to submit his report. I shall forward his report to Government with my remarks in due course.

In the mean time, I am writing to the Chief Engineer, (K.R.S) to take needful steps to arrange for holding a departmental enquiry into the matter by a senior officer of his Department to locate and to fix responsibility for loss as per Article 38 A. Mysore Civil Account Code, Vol I as the Financial Assistant's review will be only with reference

reference to the initial account records of the Division office.

I have the honour to be,

S i r;

Your most obedient servant,

COMPTROLLER.

R.R

1) To Mr K. Rajagopalachari (Ag) for kindly putting ~~their office~~ papers on the subject.

2/10/34.

1/10/

MCS

2/10/34 3/10/34

2) The papers on the subject have been perused by the Financial Secretary on 25-9-34 vide DO No: 627 dt 24.9.34. As the case is being dealt with in this Secretariat it is not possible to put up the papers at this stage.

MCS 3-10-34. To The Assistant Secretary, Financial Secretariat with Compliments

4/10/34

3/10/34

3) Submitted. The receipt of a further report referred to in para 1 of the letter may be awaited.

5/10.

yes.

5/10/34.

DEWAN'S OFFICE
6 OCT. 1934
No. 935

Dewan)

4) For information. The final report will be awaited

5/10

6/10/34

5) Mr

6-10-34

9/10.

10/10/34.

Copy of letter No.689 dated 23rd September 1934, from the Executive Engineer, Irwin Canal Division, Mandya, to the Police Inspector, Mandya.

****

I have the honour to inform you that when I checked the stores and accounts connected therewith of this Division Office on 22nd and 23rd September 1934, I found that there is a deficit of 1335 bags of cement as against a balance of 1733. Value of each bag will be Rs.3-6-0. The total deficit works upto Rs.4,505-10-0.

Mr. R.Krishna Rao, is the store keeper from 16-7-1932 in this Division and was in charge of stores and was bound in duty to account for the articles of receipt and issues Hence he has misappropriated these bags and hence I request you to kindly take action according to law.

C O P Y

B Srinivasan

ASSISTANT COMPTROLLER.

Ce.7 435-34-2

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT
OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

No. 369 WAD-KRS. *Bangalore, dated* 13th October *1934.*
Encl: 1 Report (2 parts)

FINANCIAL SECRETARIAT
13 OCT 1934
No.

From A.N.RAGHAVACHAR, ESQ., M.A.,
~~M.VENKATESA IYENGAR, Esq., M.A.,~~
Comptroller to the Government of
His Highness the Maharaja of Mysore,
Bangalore.

F714

To 13 OCT. 1934

S. SHAMANNA, ESQ., B.A.,

Financial Secretary

to the Government of Mysore,

Sir, Bangalore.

Subject:- Loss of cement bags from the stores of the Irwin Canal Division, Mandya.

In continuation of this office letter No.335/WAD-KRS dated 27-9-34 on the above subject, I have the honour to forward herewith for the information and orders of Government, a copy of the report on the detailed audit of cement transactions submitted by the Assistant Comptroller in charge of Krishnarajasagara and Irwin Canal Audit. I am also sending a copy of the report to the Chief Engineer (K.R.S.Works), for information and necessary action.

2. I have already passed orders posting another Accountant to the Division and shall report to Government the disciplinary action taken by me against the present Divisional Accountant, M.Singriengar, after the result of the police case against him is known. On a requisition by the Police, permission to his arrest has been accorded by me and the Accountant has been placed under suspension.

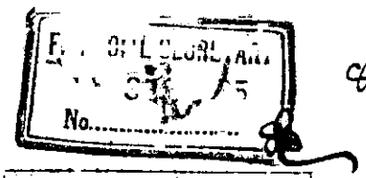
I have the honour to be,
S i r,
Your most obedient servant,

A.N. Raghavachar

COMPTROLLER.

R.R

13/10/34



G.7 435-34-

In reply please quote reference to No. 402 Es. Genl. & Sels file

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

Bangalore, dated 17th September *1935*

FROM K.R.Krishnasami aiyangar, Esq., M.A., B.L.,
~~A.N.RAGHAVACHAR, ESQ., M.A.,~~
Comptroller to the Government of His Highness the Maharaja of Mysore, Bangalore.

To:

A. N. Raghavachar, Esq., M.A.,
Financial Secretary to the Govt. of Mysore,
Bangalore.

SIR,

A

With reference to para 2 of this office letter No.369 dated 13th October 1934 submitting the special report of Mr. V. T. Srinivasan, Assistant Comptroller, on the audit of cement transactions pertaining to the Irwin Canal Division, Mandya, I have the honor to report that Mr. M. Singriengar, Accountant, who was one of the accused in the case tried by the Assistant Sessions Judge, Mysore, has since been acquitted, the judgment having been delivered on 28th August 1935. As regards departmental action to be now taken in regard to Mr. Singriengar, I find, after carefully going through the copy of the judgment of the Court (herewith sent for reference and kind return) and other relevant papers in this office and after taking his written explanation on para 7 of part I of the Special Audit Report referred to above and obtaining Mr. V.T.Srinivasan's remarks thereon, that no culpable negligence can be made out against Mr. Singriengar; and I have accordingly ordered his reinstatement and payment of full salary for the period of suspension. His explanation and Mr. V. T. Srinivasan's remarks thereon, both dated 9th September 1935, together with my orders thereon are herewith submitted in original, for perusal and kind return.

B

2. In this connection, I request sanction of Government, under Art.117 (c) of Mysore Service Regulations, for the extra cost amounting to Rs.334/- on account of full salary payable to Mr. Singriengar for the period of his suspension i.e., from 12th October 1934 to 16th September

September 1935, during which period an Accounts Clerk on Rs.30/- had to be employed.

I have the honor to be,
Sir,
Your most obedient servant

Comptroller.

B/1715

MSR

COMPTROLLER'S OFFICE.

ORDERS.

Reference Notes.

Mr. M. Sinha Chaudhuri explanation with reference to certain defects in procedure in the internal working of the Simla Canal Dr Office noticed by me in para 7 of my report on the P&T audit has been referred to me by Comptroller for remarks. I wish to state as follows with reference to Mr. Sinha Chaudhuri explanation:

1) The defects in procedure noticed by me are not all of the same degree of importance. The only serious defect is the one relating to the encashment Check Office Copies of cheques with bills at the time of audit in the Dr Office. It is true that there is no specific rule in the P. & T. Code or any other Code insisting on this check being applied. But it can be shown that this check ought to be exercised. Audit against fraud involves both tests & quantities. The Dr Asstt is responsible for audit against fraud & it is his duty to see that there is some sort of check for the four classes before passing bills

WD (180—GPE—8,000—13-8-34

in respect of those purchases. In Consequence this audit safeguard Section, the only authority for passing bills in respect of quantities purchased is the office Copy of the indent. Then again Form 53 (revised) attached to bills for stock purchases contains a Certificate (no 4) to the effect that "suitable notes of payment have been recorded against the original indents to prevent double payments". The term "original indent" here cannot but refer to the office Copies of indents placed with firms.

It is possible that Mr Swift Hyam was genuinely unaware of the importance of exercising this check in addition to the other prescribed ones. From subsequent enquiries I understand that this Omission is common to many War P.W.D.'s. If so, it might be set right by the issue of a Circular & necessary amendment of the rules in the Code. There is need also to prescribe a printed & serially numbered form to be used for purposes of placing indents with firms in respect of important stock purchases.

The form, the minimal form (no. 53) of certificate which must accompany quarterly and a special certificate (no. 622-639/WAD original) as 28.3.1923 has since been issued in this matter.
[illegible]
14.9.23

2) I have not much to say regarding this item in his enfol[n]. It will be in the interests of an AG to insist that all papers that come to him thro' the Dept. In cases in which papers are used by an AG direct from other ministerial subordinates, it will, no doubt, require a very strong & independent AG to protest against the procedure and bring it to the notice of superior authorities.

AG is not possible for the accountant to [illegible] the hands of the AG in this respect.
[illegible]
14.9.23

COMPTROLLER'S OFFICE.

ORDERS.

NOTES.

the last sentence of
Mr Stevens-Hoare para 66 of MP.
to Store, the Dy Accts has a
special responsibility thrown on
him to keep himself conversant
with all Regns & orders
passing thro' the office, & Accts
Accts Shd not permit any
departure from prescribed rules
& procedure without adequate
authority.

3) The Contention of the Dy Accts
is no doubt correct. My point,
however, was that he Shd not
have followed the procedure under
which the Sr. Asst the passed
bills & Mt Book simultaneously.
He Shd have insisted on the
prior check of the Mt Book
entries & initials thereon of
the Sr. before auditing the
bills. From subsequent enquiries
I understand that this
incorrect procedure is being
followed in several Mr Dns
with a view to save time &
under the mistaken impression
that the Storekeepers entries
in the Daily Reg of Receipts
& the Mt Book are merely
technical purposes adequate

some remarks
as agreed with
(+) above
and
14.9.30

WD 0180—GPB—8,000—13-8-34

proof of the material having been received in the Stores. This misapprehension on the part of the Dl Accts Staff has to be cleared by the issue of a Circular

4) Certain typical instances of what are deviations in material in the designs of Canal works are given in para 112 of the MP Irrn Code. They are not exhaustive and in my opinion, the substitution of Cement mortar for Surki mortar is a material alteration in design requiring sanction of the Competent administrative authority. If necessary the opinion of the Chief Engr may be invited & suitable Corrections slips issued to the Code.

In the present Case however, there is evidence to show that the substitution of Cement mortar in place of Surki mortar has been made with the knowledge of the EE. and the higher Controlling Offrs of the Dept

The Secretary's explanation may be accepted under the circumstances and in the present case

5) This is a strange point & reference to it was made by me since an intelligent & Competent Accountant might have noticed in the Course of his ordinary duties, that the actual purchases were out of all proportion to the forecast & such notice might have led to an investigation regarding the need for such large purchases.

Same remarks as given in (4) above and in the present case

6) My point was that all acknowledgments were not on record as they should be. However, as all bonafide issues as per daily registers have been found to be bonafide ones, the Dl Accts explanation may be accepted.

Same remarks and in the present case

C. O. 28/61.

COMPTROLLER'S OFFICE.

ORDERS.

NOTES.

accounts & explanation may be accepted in the absence of any evidence to the contrary.
Init
16.9.35.

7) Regarding this I cannot say anything except that the Ol Accts' version is borne out by the evidence of Pos. Rapierpar Accts Clerk in the Sessions Court

19/9/35

Sgd/- G
(Comptroller)

After going through the copy of the judgment of the Court in this case and the papers in the file of this office (particularly the special audit report of Mr V T Simpson, the explanation of Mr Simpson of 23.9.35 & the above remarks of Mr V.T Simpson thereon) I find that there has been no culpable negligence on the part of Mr Simpson can be made out to justify any departmental punishment being meted out & he will accordingly be reinstated.
The matter may be reported to Govt. in continuation of this office letter no. 369 of 13-10-1934.
Init
16.9.1935

and allowed full salary for the period of his suspension after obtaining Sanction of Government for the extra cost under Art 117 (c) of M.S.R.
Init

Submitted.

(1) The bills for cement purchases were being passed with reference to Stores purchase Committee sanctioned local indents for the year concerned. An office copy of the order placed with the Firm, is not an initial record of a Division Office as the same is not mentioned in the Mysore Account code vol IV part 2, Para 206, where the initial records of a Division office are enumerated. So far, as I know, it is no where laid down that a firms bill for supply of stores should be checked with the office copy of the order placed with the Firm. There is neither departmental instruction to this effect, nor was it the practice in the Division.

(2) I was in the habit of affixing my initials to all the papers that passed through me as a token of my approval. Executive Engineers permitted the Store Keeper to approach them direct and approved memos and drafts irrespective of the fact of such papers having been initialled and approved by me or any accounts clerk who was looking after my

work then, in my absence.

(3) In no instance, the date of passing the bills by me, relating to cement purchases, was prior to the date of the Stock Certificate affixed by the Executive Engineer on the bill. It was however seen by me that the stock certificate had been signed by the Executive Engineer before I passed the bill for payment.

(4) The use of cement mortar in place of surki mortar, does not make a material alteration in the design of works vide paras 112 and 113 of the Mysore Public Works Account Code. It was therefore not treated as a deviation requiring sanction of higher authorities. Further the question of using cement mortar in preference to surki mortar had been taken up by the Executive Engineer with the Chief Engineer so far back as Nov 1933. There are estimates sanctioning the use of cement mortar only. The rate of work with cement mortar did not exceed the sanctioned rate of work with surki mortar.

(5) While auditing a firm's bill for the supply of stores, no reference to the annual forecast is made. There is thus no means of knowing at any time the actual purchases made to compare with the quantity mentioned in the forecast. It is the Executive Engineer who scrutinises the requirements of the Sub-Divisions before placing orders with the firms. The requirements of the whole division are intimated to the Stores Purchase Committee 3 or 4 months prior to the commencement of the official year to which the forecast relates. Particularly at the time the forecast for 1933-1934 was sent up, the question of using cement mortar in place of Surki mortar was not under contemplation by the Executive Engineer.

(6) The acknowledgements of the parties who took the actual delivery of the articles at the stores, were obtained on the indents filed in the Divisional stores. "B" Forms in duplicate, were being sent periodically to the Sub-Division officers and the accepted copy

6) Copy of such B Forms filed in the office. It may however be definitely stated that all the issues from the Divisional Stores to the Sub-Divisions had been accounted for by the Sub-Division offices in the Concerned Monthly returns of Stock Receipts.

7) The Entry of receipt of 820 bags of Cement had been made in the Daily receipt register of stock for the month of July 1934 and it did exist at the time the Concerned bill was audited on 20.7.1934. That page has been subsequently removed by the Store Keeper and the entries re-written, omitting the 820 bags of cement in question later on. This fact was noticed by me on 23.9.34, when the A Form Register was being completed for July & August 1934 by the Store Accountant, and the total shortage of 1335 bags of cement was arrived at. It was also brought to the notice of the Executive Engineer on 23.9.34, much prior to the Placing of the Complaint before the Police against the Store-Keeper.

I have put in 22 years of unblemished service in the Department and serve the officers fairly fully discharging my duties to their entire satisfaction as will be seen from the efficiency reports of my service from time to time. I was subjected to all sorts of miseries and hardships during this 1 year nearly. Any minor shortcomings on my part, which are quite common in any Division office, may kindly be overlooked. Nothing has been done by me with any motive or intention There was not a single bad report against me in all these 22 years of service This unfortunate incident in Mandya Division was beyond my control and knowledge.

I earnestly pray that I may kindly be reinstated in the Department in my original place.

Yours faithfully
Sd/- 9.9.35

Explanation submitted as per orders of Dist. Comptr. (EST).

Bangalore
9th Sept 1935